

Four more die on roads

Shamir places onus on drivers

By ASHER WALLFISH
Jerusalem Post Reporter

Prime Minister Shamir yesterday called on all drivers to show greater care behind the wheel. In a reaction to what he termed "the agonizing bloodletting on the highways," Shamir said at yesterday's cabinet session that the courts should mete out stiffer punishments to careless drivers, and that the media should carry on giving maximum exposure to the road accident issue, in order to make the public aware of the need to combat the plague of accidents.

As the cabinet discussed last week's alarming rise in road casualties, four more fatal accidents occurred yesterday, leaving four dead and five injured. One of those killed, 19-year-old Shoshana Avigay, was the eighth soldier to die on the roads in the last 10 days.

The cabinet heard a report by Aetian Ben-Yehoshua, the head of the Transport Ministry's Road Safety Administration, but took no practical decisions whatsoever beyond the meagre moves it approved a fortnight ago.

At that time, the cabinet approved the recommendations of the Ministerial Committee on Road Safety to add NIS 18.5 m. to this year's Transport Ministry budget. The sum was far less than what had been demanded by several ministers, including Transport Minister Haim Corfu, after the spate of road accidents in July and August.

Most of the outcry at the time was for the improvement of the country's roads, but a good portion of the NIS 18.5 m. was to be allocated to the Road Safety Administration, which concentrates on public information campaigns. Ben-Yehoshua said at the end of last week, how-

ever, that the money had not yet been received. Shamir, reminding his cabinet colleagues that the roads had claimed 21 victims last week, said the cabinet would keep the road accident situation under periodic review at its forthcoming sessions.

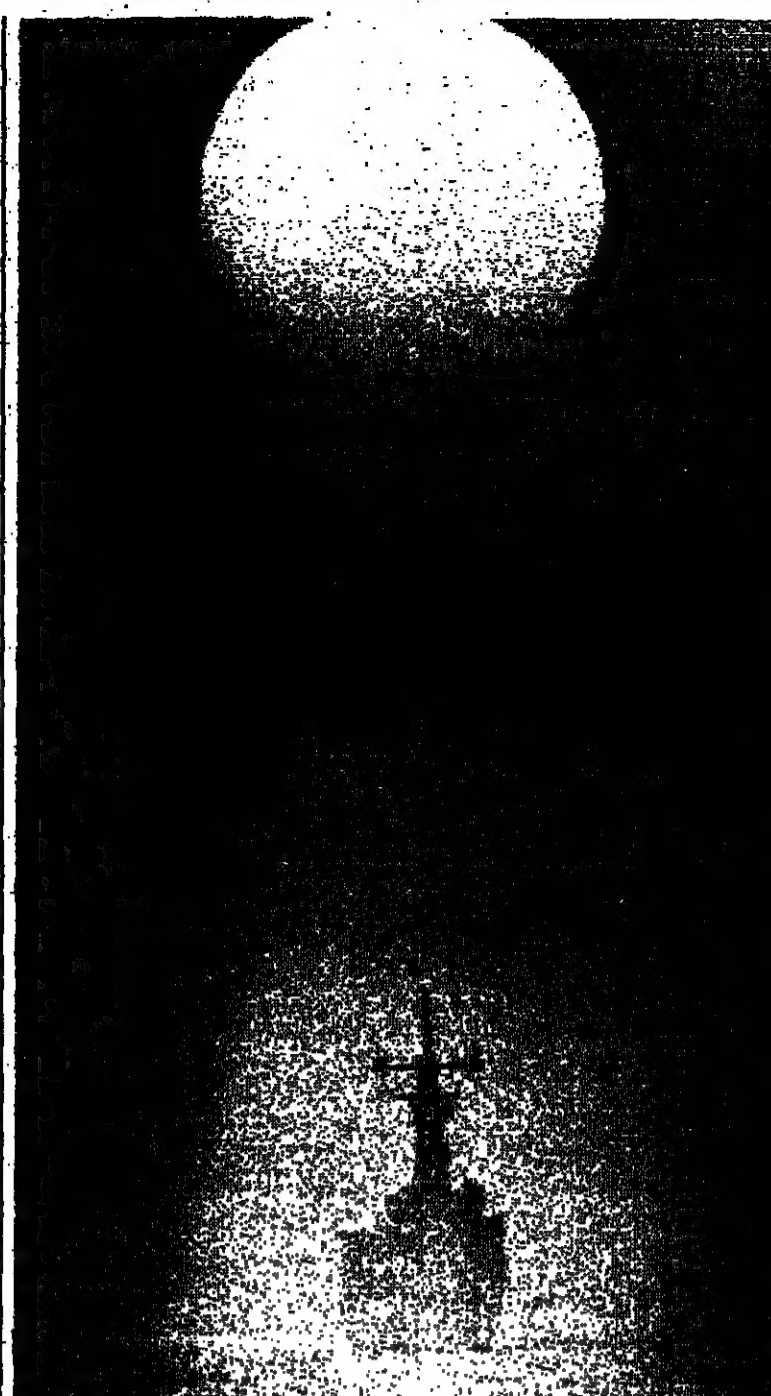
Acting Transport Minister Moshe Katzav, replacing Corfu who is abroad, said that if the seven members of the security forces who lost their lives last week had been killed in hostile action, there would have been a greater public outcry.

Katzav said: "Road deaths in the first seven months of this year are some 11 per cent higher than their rate in the first seven months of 1986. Some 14,400 Israelis have died on the roads since independence, more than in all of Israel's wars, including the War of Independence."

Ben-Yehoshua, who for many years was a senior police officer responsible for road safety before heading the administration, said that 58 local authorities had set up their own road safety administrations and would attack the specific problems in their own localities. He said his own organization would launch an educational campaign in the media and would enlist the help of volunteer organizations to help combat accidents.

He said that money must be found to improve the road infrastructure at critical spots where accidents frequently occurred, as well as to pay for more manpower.

The situation with respect to vehicle licensing garages must be radically improved, Ben-Yehoshua said. Even though police statistics attributed only 4 per cent of road accidents to poor driving, he said.



The U.S. warship "Fleets" steams through the Gulf yesterday under the setting sun. U.N. Secretary-General Javier Perez de Cuellar was still in the region yesterday, attempting to bridge the gap between the two warring sides — see page 3. (Reuters)

Eight hurt in clashes with police

Violence erupts at IAI demonstration

By JOSHUA BRILLIANT
Jerusalem Post Reporter

TEL AVIV. — A peaceful demonstration of Israel Aircraft Industries workers outside Histadrut headquarters here yesterday suddenly erupted into a series of violent clashes with police, leaving at least eight injured. In the most serious confrontations since the cancellation of the Lavi project two weeks ago, 12 people, including workers' committee chairman Nissim Cohen and a 17-year-old, were arrested.

Mounted police and Border Police used truncheons and a water cannon to push the demonstrators away after they began throwing stones and other objects, shattering several windows and injuring policemen.

The demonstration started at around 9 a.m. as some 3,000 IAI workers gathered for a picnic in front of the Histadrut building while members of the workers' committee participated in the Histadrut's weekly central committee meeting.

Cohen and Ya'acov Shefi, a member of the central committee, represented the IAI workers who face massive dismissals following the cabinet's decision to scrap the Lavi.

During the meeting, demonstrators broke into another building in the Histadrut compound where they smashed flower pots, opened closets and threw thousands of election envelopes out of windows. Some of the windows were also smashed.

A Border Police unit was sent into the building after being ordered to exercise restraint. "Don't raise your clubs unless there is a need to," a police officer was heard briefing his men. "Get the people down the stairs, politely," he added.

Downstairs, workers burned the envelopes and other material they found nearby, and Cohen and Shefi came out of their meeting and tried in vain to calm the atmosphere.

Police in riot gear had to fight their way in as demonstrators struggled at the doors. The police finally pushed the workers out — according to some workers by poking them with their clubs — and extinguished the fire.

The clashes mainly involved IAI engineers and production workers who had worked on the Lavi and

who had heard reports over the weekend that only 1,000 of the 5,000 workers employed on the fighter project would be retained.

According to the reports, some 3,000 employees are to be fired after the High Holydays, while efforts are under way to find jobs for only 1,000.

At 1:30 p.m. some of the workers returned to the back entrance of the building and blocked it, in violation of their demonstration permit.

Nissim Mishne Arye Bibi, the police area commander, told *The Jerusalem Post* that demonstrators had buried stones at policemen and started several fires.

"We asked the staff committee to assume control and disperse the crowd. And when they didn't, we did. Then everyone else dispersed."

But Shmuel Weiss, an engineers' representative, said workers had been standing quietly on the street and complied with a police request that they move to the sidewalk.

While they were standing on the sidewalk two mounted police appeared and pushed them. Someone said a bottle was thrown and the police then charged into the crowd with truncheons. One woman demonstrator who shouted "Gestapo!" at the police was dragged by her hair.

Police chased another man among the cars on Ben Saruk Street and eyewitnesses said they clubbed him to the ground and later continued beating him.

Clashes spread to Ben Saruk Street, where police used a water cannon to disperse the crowds.

The demonstrators dispersed but regrouped last night outside IAI headquarters, where they blocked the Ben-Gurion Airport — Petah Tikva road and demanded the release of their detained colleagues.

Police told the demonstrators that their co-workers had been released — which was not true. Anyway, nobody believed them.

One worker was seriously hurt by a tyre that was set on fire by another worker, and seven others were hurt in clashes with police at the scene. At least five police were injured when Coca-Cola cans were thrown at them; police were also beaten with sticks that had been used to hold up the workers' placards.

Police dispersed the crowd with tear gas and a water cannon.

Yesterday's incidents reflected a loss of control over IAI workers by

their leaders. Workers no longer obeyed orders, Yossi Barash, one of the engineers' representatives, told *The Post*.

According to Barash the violence reflects the increased tension as days drag on without any indication of what will happen to the workers. "Management doesn't know, and the staff committee doesn't know, and we've been going around for 14 days doing no work and just looking at our desks between walls."

Meanwhile, inside Histadrut headquarters, Gideon Ben-Yisrael and later Secretary-General Yisrael Kassar asked police to free the workers.

Explaining why the Histadrut was intervening on the arrested workers' behalf, Ben-Yisrael said the Histadrut "is their home to a certain extent." Kassar reportedly discussed the matter with Police Inspector-General David Kraus but his request was denied.

During the Histadrut meeting, Kassar, a strong supporter of the Lavi, lashed out at the cabinet's decision to scrap the project. He said the decision was made without prior preparations to cope with the implications of shutting down the fighter.

The Histadrut, said Kassar, would firmly oppose any unilateral action concerning the dismissal of workers who had been working on the Lavi.

In an interview later with *The Post*, Kassar said the Histadrut opposed illegal or violent demonstrations, even if it understood the workers' frustrations. He said the IAI works committee delegation had stressed that yesterday's demonstration was not aimed against him personally. The labour federation leader blamed certain political groups in IAI for inciting protests against the Histadrut.

Shefi said the aim of the demonstration was to push the Histadrut into taking action against future dismissals. He denied the demonstration was violent even though in the afternoon IAI workers set fire to a number of trees in a public park near Histadrut headquarters.

Shefi denied that IAI workers broke their way into the offices of the Civil Servants' Union and threw files and stationery out the window for their fellow protesters to burn. According to Shefi, this was done by officials in the building.

Arafat - bluff or breakthrough?

Yasser Arafat has so far not denied Charlie Biton's account of their meeting last week in Geneva. The denial issued by Abu-Mazen (Mahmud Abbas, a member of the PLO's executive committee and a close aide to Arafat), referred mainly to one point — the reports that Arafat had proposed direct and separate negotiations between the PLO and Israel. One may understand from statements by Arafat, Abu Mazen and other PLO spokesmen during the last few days that the PLO is ready to negotiate with Israel, but only within the framework of an international conference and not in any other forum.

The official Israeli reaction to Arafat's proposal as conveyed by Biton was dismissive: the pro-

posal was nothing new, it wasn't sincere, and Biton was hardly the person to serve as a messenger for such proposals.

It is true that the three conditions set in the

ANALYSIS

Yehuda Litani

proposal (mutual recognition, cessation of hostilities and a halt to new settlements) were raised, or agreed to, by Arafat as far back as 1982. The novelty of the present proposal, however, is that it combines the three conditions. Arafat had nev-

er before made such an offer to an Israeli government.

It is also true that the offer as conveyed by Biton is being used by the PLO as propaganda. But is it nothing but propaganda? Arafat knows that for the PLO to survive on the political map of the Middle East he has to show the world (and especially the superpowers and the Arab states) that the PLO is capable of becoming part of the peace process as an independent entity, and that it could negotiate with Israel (within the framework of an international conference) as well as, or possibly even better than, Jordan, since the PLO and not Jordan is the sole

(Continued on Page 2, Col. 2)

Shevardnadze:

Talks to decide fate of summit

WASHINGTON (AP). — Soviet Foreign Minister Eduard Shevardnadze said yesterday that a decision on another superpower summit depends on the outcome of his talks this week with President Ronald Reagan and U.S. Secretary of State George Shultz. "We have come here in order to roll up our sleeves and work," Shevardnadze said upon his arrival from Moscow.

The Soviet official brought with him a letter from Reagan from Soviet leader Mikhail Gorbachev and "a degree of optimism."

Shultz yesterday minimized a problem over warheads that had appeared to threaten a proposed accord to remove intermediate-range nuclear force (INF) missiles from Europe.

A new request by Moscow that the U.S. destroy 482 nuclear warheads intended for West German Pershing 1-a missiles "may or may not be an obstacle," Mr. Shultz said in an interview on CBS television. Asked if he saw the request as a major stumbling block, the secretary of state replied, "No, I don't think so, unless they're throwing in something brand new, which they don't seem to [be doing]."

Senior official in areas said quitting

By JOEL GREENBERG
Jerusalem Post Reporter

A senior Israeli official in the territories is to leave his post at the end of the month, informed sources said yesterday.

The sources linked the departure to disagreements among top officials on policy towards the Palestinian population in the territories. Official sources, however, denied that policy arguments led to the resignation, which they said was an independent decision of the official, who has already served an extended term in his post.

Israel, Hungary expected to sign pact on renewed ties

Post Diplomatic Correspondent

Barring a last-minute hitch, Israel and Hungary are due to sign an agreement in Bern today re-establishing diplomatic relations between the two countries that were severed by Hungary in 1967. The agreement will provide for the setting up of interest sections by the two countries in Budapest and Tel Aviv.

The signing, by Foreign Ministry deputy director-general Yishayahu Auzan and a high-ranking Hungarian official, will be followed by the publication of an agreed statement in Jerusalem and Budapest. The Hungarians, it is understood, have asked that the signing ceremony in Bern be low-key and without direct press access.

Israeli officials said that it would take months before the Israeli interest section in Budapest was established. Israel must rent or purchase a building and renovate it, and a mission head — probably with the

rank of minister or ambassador — must be selected. There appears to be a lack of enthusiasm among Foreign Ministry officials to volunteer for the posting, though the ministry has a number of native Hungarian speakers.

Meanwhile, a special envoy of Romanian President Nicolae Ceausescu, Constantin Mitrea, who is an adviser to the president and head of the Communist Party Central Committee's information department, arrived yesterday in Jerusalem.

He is expected to deliver a message from Ceausescu to Prime Minister Shamir reporting on Egyptian President Hosni Mubarak's and Jordan King Hussein's responses to Shamir's "peace proposals." Shamir submitted these proposals to Ceausescu last month during his visit to Bucharest to be transmitted to Cairo and Amman.

(Continued on Page 2, Col. 2)

Soviets round up activists

MOSCOW (AP). — Soviet police yesterday detained "at least 13" Jewish activists for questioning as they were leaving home for a Moscow park where authorities had banned a rally called to protest against anti-Semitism, one of those detained told *Agence France-Press*.

Nikolai Livshitz said that he and other organizers of the demonstration had been released after being held at different police stations for periods ranging "from five to seven hours."

Moscow authorities refused to reconsider the ban after organizers of the "initiative group" appealed the decision. Under a recent city regulation, organizers of demonstrations in the Soviet capital must have written permission beforehand.

Benny Begin blasts 'transfer' idea

By MENACHEM SHALEV
Post Political Reporter

Benny Begin ripped into deputy Defence Minister Michael Dekel and his espousal of the "transfer" proposal last night, saying that Dekel's promotion of the notion "blurred the distinctions between Herut and that ghastly phenomenon represented by Meir Kahane."

In a Herut party symposium devoted to "The Greater Israel and the Road to Peace" in Tel Aviv, Begin said that "words thrown into the air have their own dynamics" and that Herut must demand responsibility from its representatives.

Citing, "with a great feeling of nausea," the odious legislative proposals presented by Kahane on transfer of populations and the prohibitions on intermarriage and sexual relations between Jews and Arabs, Begin said that "in the eyes of a portion of the population — especially the youth — the dividing line between Kahane's proposals and Dekel's are thin indeed. Some might say 'let's go for the original and vote for Kahane.'"

Dekel had earlier proposed as

part of his "non-operative political plan for the future" that 500,000 Arab refugees be resettled in Arab countries and that the other residents of Judea, Samaria and the Gaza District be allowed to choose between "full citizenship and emigration." "Those who do not want us, do not recognize us, cannot stand us, should be removed to other countries — not by coercion but by international agreement," Dekel said.

Dekel heatedly rejected Begin's comparison of his proposal with those of Kahane. He said that he was "shocked, disappointed and deeply insulted" by Begin and pointed out that he believed that an Arab who pledges his allegiance to the state should enjoy full and equal citizenship, while Kahane rejected any and all forms of Arab citizenship. "I want to stop short of calling Begin's words Kahanism," Dekel said in a voice filled with emotion.

Dekel was also blasted by Moshe Amirav, a Herut Central Committee member and director of the Road Safety Administration, who

said that the transfer proposal smacked of "Zionist defeatism."

"You have given up on the Jewish transfer," Amirav said. "You can't get the Jew from Beverly Hills to come here so you want to send the Arab from Gaza away."

All the speakers took pains to deflect the portrayal of Herut as a party which does not seek peace. Amirav said that he believed that an arrangement must be sought with the Palestinians, and proposed an "expanded version" of the autonomy proposals.

Begin lambasted the "delegitimization of our right to Judea and Samaria" by the left, which constantly harped on the "immorality" of the occupation. Citing the 1938 Munich agreements, which, he said, were viewed as a great moral victory at the time, Begin said that "one may draw identical conclusions from a well-greased propaganda machine which utilizes people from behind the 'yellow line' to say that the occupation is immoral. (The 'yellow line' is in reference to author David Grossman's portrayal of the occupation in his book *The Yellow Line*.)"

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	14.9.87	MIN.	MAX.	
AMSTERDAM	15	10	23	Cloudy
BIRMINGHAM	15	10	20	Cloudy
BIRMINGHAM	15	10	20	Cloudy
CHICAGO	14	9	22	Cloudy
COPENHAGEN	13	8	17	Cloudy
FRANKFURT	14	9	22	Cloudy
GENEVA	15	10	23	Cloudy
LONDON	15	10	23	Cloudy
MADRID	15	10	23	Cloudy
MONTREAL	15	10	23	Cloudy
NEW YORK	15	10	23	Cloudy
OSLO	15	10	23	Cloudy
PARIS	15	10	23	Cloudy
RUHR-ARSENAL	15	10	23	Cloudy
STOCKHOLM	15	10	23	Cloudy
TORONTO	15	10	23	Cloudy
ZURICH	15	10	23	Cloudy

*For the latest weather conditions contact Swissair.

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THE WEATHER

Forecast: Seasonal.

	Yesterday's	Yesterday's	Today's
	Humidity	Min-Max	Max
Jerusalem	46	17-28	31
Golan	44	16-30	33
Nahariya	42	22-29	30
Safed	42	18-29	29
Haifa Port	43	22-31	31
Tiberias	40	21-35	36
Nazareth	41	22-31	33
Afula	49	19-32	33
Samaria	51	19-30	31
Tel Aviv	50	22-30	30
B-G Airport	62	21-29	30
Jericho	38	22-37	37
Gaza	64	22-29	29
Beer Sheva	26	21-32	33
Eilat	16	25-38	39

SOCIAL & PERSONAL

Dr. Michele Barzach, France's minister of health and her party visited the Weizmann Institute yesterday and met with Prof. Michael Feldman and Meir Shinitzky. Present at a luncheon in their honour, held by Weizmann Institute president, Prof. Aryeh Dvoretzky in his home were: French Ambassador H.E. Alain Pierret and Mrs. Pierret; Mr. Guy Berger, director of the French Ministry of Health; Mr. Ricardo Duque, Assistant Adviser to Prime Minister Chirac; Prof. Denis Pellerin, Adviser to the Minister of Health; Mr. Noel Decourt, Scientific Counsellor, French Embassy; Mr. Jean Jacques Levy, Assistant to the Scientific Counsellor; Mrs. Levy and guest; Mr. Serge Roger, president, Elscint, France; Dr. Robert Puriel, executive director of the French Committee of the Weizmann Institute; Mr. Arie Avidor, Israeli Foreign Office, and a number of Institute scientists including Dr. Yair Reimer and Prof. Varda Rotter, Leo Sachs, Meir Shinitzky and Meir Wilchek.

MKs to get their crack at the Lavi

By ASHER WALLFISH
Post Knesset Correspondent

Although the cabinet has accepted the scrapping of the Lavi project as a fait accompli, both the Likud and the Alignment plan to bring up the issue today at a special session of the Knesset, midway into its long summer recess.

The Likud's Dov Shilansky is due to present his faction's motion, and Rafi Edri will present the Alignment's motion.

Prime Minister Shamir has asked Defence Minister Rabin to reply to both motions in the name of the government, and it has apparently been agreed that they will both be referred to the Foreign Affairs and Defence Committee for further study.

Also to be debated today are a motion on the tensions between the ultra-Orthodox and the secular communities in Jerusalem over Friday night film shows, and a motion calling for an official inquiry into the 1982 invasion of Lebanon in the wake of Industry Minister Ariel Sharon's lecture at Tel Aviv University last month.

Granot to Belgrade

TEL AVIV (Itim) - The secretary-general of Mapam, MK Eleazar Granot, is leaving this week for Belgrade at the invitation of the Yugoslav Communist Union.

Mapam maintained close contacts with the Yugoslav body until 20 years ago, when Belgrade, together with the other members of the Soviet bloc, severed relations with Israel.

Sharon vows cabinet with nod to Shahal

By ASHER WALLFISH
Jerusalem Post Reporter

Cabinet ministers were amazed yesterday to learn whom Industry Minister Ariel Sharon had picked to fill in for him during his forthcoming trip abroad.

Instead of selecting a colleague from his own faction, as is usually done, Sharon chose none other than

HOME AND REGIONAL NEWS

Ceasefire sought in Friday night cinema battle

By ANDY COURT
and MENACHEM SHALEY
Jerusalem Post Reporters

Prime Minister Yitzhak Shamir assured members of the Jerusalem City Council yesterday that Mayor Teddy Kollek was trying to arrange a "time-out" period, beginning this weekend, during which no movies would be screened and no protests organized on Shabbat for the weeks of the holidays.

"The suspension of movies by one side and the protest demonstrations by the other side will lead to the preservation of the status quo," Shamir said, according to his spokesman.

Shamir met with representatives of Shas, Agudat Yisrael, National Religious Party, Poalei Agudat Yisrael, as well as with Reuven Rivlin, head of the Likud faction on the city council.

Shamir emphasized, as he has on previous occasions, the importance of preserving the status quo on religious and secular relations and practices in the city. He also said that he had telephoned Kollek and received the mayor's assurance that he would try to arrange some kind of "cease-fire" before this Friday night.

Kollek's spokesman, Rafi Davara, said that Kollek had indeed passed on Shamir's request for a time-out to Lia Van Leer, director of the Jerusalem Cinematheque. But beyond doing that, Kollek could not guarantee that movies would not be shown this weekend, Davara said.

On Saturday, Van Leer told The Jerusalem Post that she intended to

show a film this Friday night, but neither the Cinematheque nor Beit Agron were planning to show movies on the weekends of Rosh Hashana and Yom Kippur. The National Religious Party has decided to withdraw from the municipal coalition over the Shabbat movies issue, an NRP official said yesterday. The withdrawal of NRP and of Shas will go into effect officially, at next week's meeting of the city council.

City hall, however, denied that Kollek had made any promise concerning a cease-fire. Davara noted that Kollek's "One Jerusalem" coalition differentiates between the Cinematheque, which it considers a cultural institution, and the Beit Agron and Orna theatres, which it considers commercial enterprises that should be closed on Shabbat.

The municipality has taken Beit Agron and Orna to court, but the Cinematheque's schedule depends on its administration, not city hall, Davara said.

Last week, the "One Jerusalem" coalition rejected a proposal by council member Eitan Melnick of Mapam to change the city by-laws in order to allow the screening of movies in commercial theatres on Shabbat. Melnick was the only faction member to support the proposal, Davara said.

Shamir said Friday that the Shabbat must not be turned into a political point of contention, and that all efforts must be made to show that the overwhelming majority in Jerusalem supports the status quo on religious affairs.

Peres: We know all about Arafat

By BERNARD JOSEPHS
Jerusalem Post Reporter

Foreign Minister Peres last night joined Prime Minister Shamir in rejecting Yasser Arafat's "peace message," describing the PLO leader as a man who says "one thing one moment and something else the next."

"We know all about Arafat," said Peres, addressing the Labour Party Young Guard in Jerusalem. "I'm for talks with King Hussein. He is a responsible leader, and we can solve the Palestinian problem through talks with a Jordanian-Palestinian delegation."

But the Labour Party leader and vice premier made it clear that the continuation of the peace process was number one in his scale of priorities.

And he called on the Young Guard members to launch a door-to-door campaign to persuade people that peace talks are the only way ahead.

"You must go to every place and into every situation to put this message across," urged Peres. "We must press the peace process with all our energy. The Likud say the status quo is all right, that nothing will change. They are wrong."

"The demographic factor means that the national camp will turn

Israel into a bi-national state," Israel, declared Peres, could be like Japan, a centre of technology and development. "We have the ability, but Japan spends only 1 per cent of its money on defence," he added.

"We have an excellent army. We are strong enough to go for peace. The Arab leaders have reached the point where they know there is no alternative. Hussein has a serious economic crisis. He can either strengthen his country or he can spend more on arms, which will endanger his government."

At the moment, said the vice premier, the 10-man inner cabinet was split down the middle over the peace process. But the same situation had existed over the withdrawal from Lebanon, Taba and the Lavi. "In the end we got the result we needed," he said.

Questioned on the clash between ultra-Orthodox and secular Jerusalemites, Peres said he believed a middle road had to be found to solve the problem. But he said the Alignment would not give up its stand on such issues as Who is a Jew.

"We won't give up to Shas or anyone else on this. The religious parties made a historical mistake when they decided to go with the Likud," Peres said.

ARAFAT

(Continued from page one)

legitimate representative of the Palestinians (a proposition that has been accepted by all Arab heads of state, including King Hussein at the Foz conference in 1974).

So, even if not for the sake of peace but for the sake of his and the PLO's survival, Arafat has kept talking of negotiations with Israel in the same spirit throughout the last two years. Over two months ago, for example, in an interview with The New York Review of Books, Arafat was asked about possible relations with Israel. His answer was: "It depends on the will and the determination of both of us. Are they looking to achieve a victorious peace for themselves, and a peace of surrender for us? Or a lasting and comprehensive and just solution, as de Gaulle once said, 'a peace of the brave'? If they are ready, why not? ... If they are ready ... we can find a way."

No doubt Arafat would have preferred to have Labour Party secretary-general Uzi Baram or the political director-general of the Foreign Ministry, Yossi Beilin, to carry his messages to Yitzhak Shamir and Shimon Peres. But Baram and Beilin were not willing to meet with him, while Charlie Biton was. If Arafat really meant business, some Israelis are saying, he could have contacted the Egyptians or the Jordanians or even the Americans, in order to deliver his message. He clearly could have done so, but per-

haps he preferred to deliver the message through an Israeli who could convey it to the public in their own language.

From the point of view of the internal disputes in the PLO, it was a matter of good timing for Arafat to come out with his proposal now. The Democratic Front for the Liberation of Palestine (DFLP), headed by Nayef Hawatme, and the Popular Front for the Liberation of Palestine (PFLP), headed by Dr. George Habash, will not dare break the recently won unity of the PLO and return in humiliation to Syria's bear-like embrace. Arafat knows that the two factions will turn back to Syria only if he goes so far as to accept, unconditionally, UN Security Council Resolutions 242 and 338. That is exactly why Arafat did not specify his support for the two resolutions in his message, but included them among other UN resolutions on the Palestinian question.

On this point, as on many others, Arafat is being deliberately vague, assuming that it is, after all, only a preliminary proposal. If that is all it is, why reveal his cards beforehand? Arafat's proposal may be pure propaganda with nothing behind it, but it could also constitute a signal to the Israeli government: With all my faults, I am the recognized leader of the Palestinians, and I am ready to start negotiations with you, and unlike the Jordanians, I can deliver the goods - the consent of the majority of the Palestinians.

HUNGARY

(Continued from page one)

At the centre of Shamir's proposals was the idea of convening a regional "mini-conference" for peace attended by Israel, Jordan, Egypt and Palestinian representatives. Shamir apparently also suggested that a start be made to self-government in the territories either under Israeli or joint Israeli-Jordanian auspices.

While sources in both the Prime Minister's Office and the Likud

Israeli observers: Too soon to say if terror will increase

End of Shi'ite siege seen as PLO victory

By DAVID RUDGE
Jerusalem Post Reporter

ROSH HANUKKA - The agreement ending the Amal Shi'ite siege of Palestinian refugee camps in Lebanon appears, at face value, to be a victory for the PLO, according to Israeli observers.

But, they stressed it was too early to say whether this would lead to an upsurge of Palestinian terrorism emanating from South Lebanon.

The accord was reached at a meeting on Friday between the main factions of the PLO and representatives of the Syrian-backed Front for the Unification and Liberation of Lebanon - just two weeks after the proposals were publicly put forward by Amal leader Nabih Berri.

The meeting brought Amal and Fatah together for the first time since the Shi'ites launched their crackdown in May 1985 to halt the recreation of a PLO power base in Lebanon. The two largest Marxist Palestinian groups, the Democratic Front for the Liberation of Palestine and the Popular Front for the Liberation of Palestine, were also present.

The negotiations were led on behalf of the front - itself composed of Amal, Druse, Sunnis and the Lebanese Communist party - by the head of Sidon's Sunni community Mustafa Sa'ad, who has close ties with the Palestinians.

Sources in South Lebanon said the short time lapse between the announcement of the proposals and their acceptance, indicated prior agreement by the parties involved.

Under the terms of the accord, Amal is to lift its blockade of the camps. Observer posts, manned

by representatives of the Palestinian popular committees which run the camps, Amal, the Lebanese Army and the Syrians, would be established to monitor activities in and around the camps.

In return, PLO forces are to withdraw from the strategic hilltop positions, east of Sidon, overlooking the coastal road to Beirut.

The PLO's command of the highway had been a thorn in Amal's side, effectively cutting communication and trade links between the Shi'ite community in the south and their northern brethren.

Similarly, Amal's siege of the camps, which continued after the Syrian-backed cease-fire in February, had placed severe restrictions on the Palestinians and seriously curtailed any external operations.

One of several aspects of the agreement which remain unclear is how much freedom of movement will be permitted to armed Palestinians outside the camps, and whether any limits will be placed on operations against targets inside the security zone and Israel itself.

Observers in Israel and South Lebanon thought it unlikely that Amal would acquiesce to anything which would give the PLO or other armed Palestinian factions a "free hand" in the south. The sources in South Lebanon noted that the predominantly Shi'ite population of the region had no wish to return to the Palestinian "reign of terror" prior to the 1982 Lebanon war.

Any upsurge in Palestinian terrorism would

almost certainly result in retaliatory action by Israel, something which Amal, in accordance with the wishes of the majority of the Shi'ites in South Lebanon, has been anxious to avoid up to now.

There is also a question mark over Syria's involvement in the agreement which, on the face of it, appears to be a concession to those Palestinian factions loyal to PLO chairman Yasser Arafat.

There has been nothing to indicate a rapprochement between Syrian President Hafez Assad and Arafat, although such a move would no doubt be welcomed by the Soviet Union. Syria's main international backer. Nevertheless, the agreement could not have been concocted and cemented without Syria's prior consent and active encouragement.

In addition to lifting the siege, the parties agreed to the reconstruction and renovation of the buildings destroyed in the shelling at the height of the camps war. A special fund is to be established towards this end.

For Amal, apart from the re-opening of the coastal highway, the accord will also relieve the Shi'ite organization from the expensive costs in terms of men and equipment of maintaining the blockade.

The Iranian-backed Hizbullah has issued statements charging that Amal, freed from the pressure of the siege, would turn its attention to try to break the back of its Shi'ite rival.

The observers in Israel and South Lebanon, however, thought it unlikely that Amal would risk a physical confrontation with the Hizbullah.



Martin Luther King III, son of the slain civil rights leader, poses yesterday with Jerusalem Mayor Teddy Kollek at a memorial to his father in the capital. King is here with 21 other American leaders for a first-hand look at Israel in an effort to improve relations between Jews and Blacks.

Kollek to ask for go-ahead on football field before Shamir OK

By ANDY COURT
For The Jerusalem Post

Jerusalem Mayor Teddy Kollek wants to begin preparing the grounds of the proposed football stadium at Manabat even though Prime Minister Shamir, in his capacity as acting interior minister, has not yet signed the plan to build the stadium there, the municipal spokesman said yesterday.

Kollek will ask the municipality's planning and building subcommittee to approve a request to begin earthmoving work on the football field at the site, the spokesman, Rafi Davara, said. In addition, city lawyers are now looking into the possibility of applying to the High Court of

Justice for a writ against Shamir for refusing to authorize the plan, Davara said.

For several days now, technicians have been checking the condition of the ground. Two months ago the municipality budgeted NIS 500,000 for the initial earthmoving work. Meanwhile, the Interior Ministry's legal adviser is still studying the plan and reportedly expects to submit his recommendations to the minister within a month.

Reports that officials identified with the Shas Party have proposed to Shamir that the stadium not be built at Manabat but outside city limits, near the Mar Elias Monastery on the road to Bethlehem, have

irked city officials.

"We don't know whether to laugh or cry," Davara said, noting that when Menachem Begin was prime minister he had caused the original plans for the building of the stadium at Shuafat, in the north of the city, to be cancelled and had appointed the committee that recommended the alternative site at Manabat.

Jerusalem's football fans want the stadium to be built before "the coming of the Messiah," Davara said.

Asher Wallfish adds:

The prime minister told the cabinet yesterday that he expected to hear a report on the stadium from the Interior Ministry's legal adviser in "one or two weeks."

GPO director told he will be replaced

By BENNY MORRIS
Post Diplomatic Correspondent

The director-general of the Prime Minister's Office, Yossi Ben-Aharon, yesterday informed the director of the Government Press Office, Israel Peleg, that he is to be replaced in the coming weeks.

This followed Friday's meeting between Prime Minister Shamir and Foreign Minister Peres in which Shamir informed Peres of his intention to replace both Peleg and the prime minister's adviser on women's affairs, Dr. Nitzza Shapira-Liba, in accordance with the agreement between the two leaders at the time of the rotation in the premiership.

Only Amiram Nir, the prime minister's adviser on counter-terrorism, is to stay on, from among all the advisers at the Prime Minister's Office appointed by Peres when he assumed the premiership in September 1984. The two leaders on Friday decided to leave Nir in his post, at least until the completion of the investigation and prosecution of the Irangate affair in Washington.

Nir was in charge of the Israeli end of the secret American-Iranian arms-for-hostages deals from January 1986.

Sources in the Prime Minister's Office yesterday declined to name Shamir's candidates to replace Peleg and Shapira-Liba. Press reports have suggested that Rachel Kramerman, the widow of Herut MK Yosef Kramerman, may replace Shapira-Liba. The assistant to the prime minister's media adviser, Yossi Ahimeir, once mooted to replace Peleg, is now out of the running for that post. Peleg is one of the Labour Party's candidates for the chairmanship of the Broadcasting Authority management committee.

Rom Carmel staff to demonstrate outside Clal HQ

Post Economic Staff

Workers at the strife-torn Rom Carmel factory are to demonstrate today outside the headquarters of both the Clal concern and the Ordan group to protest against what they call the "negative attitude" shown them by management.

Clal is the parent company of Ordan which owns the factory. The workers charge that Ordan is not prepared to properly compensate people who have given the best years of their lives to the factory.

The workers have also demanded that Clal allow them to buy a part of the plant, claiming that metalwork department.

Israel, Britain and the Commonwealth Association
mourn the passing of

MAX SELIGMAN
CBE

honorary president of the Association
and for many years its chairman

and extends sincere condolences to MILLIE and the family

John Furman Chairman Alec Lerner Vice Chairman Ralf Rurka Vice Chairman

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and religious Zionist leader

MIRIAM ELIASH
a founder and member of our Israeli executive.

Rabbanit Zlita Goren President Ivriah Levine Chairperson

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ESTHER G. EISENSTAT י"ט

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Sandy and Susan Eisenstat
and all the bereaved family

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Wife י"ט

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Pro-independence FLNKS leader Jean Marie Tjibaou, who called on his followers to boycott yesterday's New Caledonian referendum, spends the day fishing. (AFP)

New Caledonia votes to stay with France

NOUMEA, New Caledonia (AP) — New Caledonia will continue in a union with France after a Sunday referendum to decide the Pacific island territory's future inflicted a setback to Melanesian claims for independence.

Voters cast 98.30 per cent of their ballots in favour of New Caledonia remaining part of France. The high pro-French turnout was attributed to a skillful campaign by loyalists.

Official figures showed that 50,015, or 58.6 per cent of the 85,345 registered voters defied a boycott call by pro-independence Melanesians and went to the island's 141 polling stations to cast a strong vote to remain part of France. Despite fears of violence, the referendum was free of incidents.

Many Melanesians heeded the call by the Kanak Socialist National Liberation Front (FLNKS) for a boycott. But their numbers were not sufficient to win a majority for their independence claims.

In Paris, Prime Minister Jacques Chirac described the turnout as "a triumph." Overseas Territories Minister Bernard Pons, the main force behind the referendum, called the vote "a victory for democracy for New Caledonia and France."

Pons had said previously that a

good result for the loyalist cause would favorably affect international public opinion on the issue of independence for the islands that France annexed in 1853.

Roger Holeindre, a right-wing New Caledonian National Front deputy in the French parliament, accused opponents of intimidating voters and said the turnout otherwise would have been higher. There was no reaction from Jean-Marie Tjibaou, leader of the FLNKS, which claims to represent 80 per cent of Melanesians, who call themselves Kanaks.

A boycott of the 1984 elections reduced the turnout to 50 per cent. This year, France deployed 8,400 troops to prevent a repeat of rioting that marred the 1984 polls.

Kanaks comprise 42.6 per cent of the 145,000 population and Europeans 37.1 per cent. Other pro-French minorities comprise the remainder.

The Kanaks boycotted the election on grounds that the numbers were against them and that participation would legitimize the result. They also wanted voting rights restricted to those born in the territory who also had at least one parent born in New Caledonia. Any French citizen with more than three years' residency was entitled to vote Sunday.

Yugoslav vice president quits over money scandal

BELGRADE (AP) — Hamdija Pozderac, in line to become president next spring, resigned Saturday as vice president following allegations of involvement in a financial scandal, according to the official Tanjug news agency.

The agency earlier reported that on Friday, Pozderac denied any involvement in the financial scandal centring around the Agrokompromer Company, which reportedly issued millions of dollars of uncovered bills of exchange.

The Belgrade daily *Vecernje Novosti* said Saturday that Premier Branko Mikulic may have supported the company's development plans.

Agrokompromer, located in Velike Kladuše in the republic of Bosnia-Herzegovina, issued at least \$300 million in uncovered bills of exchange. Some reports said the amount could be as much as \$800 million. The affair was expected to affect at least 63 Yugoslav banks that had transferred funds to the agro-industrial company after receiving bills of exchange endorsed by a Bosnian bank.

The brief resignation announcement said Pozderac, 63, explained his decision Saturday during a Communist Party meeting in Sarajevo. Pozderac reportedly stressed that "the resignation is of a principled nature."

Iran leaders stick to hard line on settling war in Gulf

De Cuellar heads for Baghdad

NICOSIA (AFP) — UN Secretary General Javier Perez de Cuellar arrived in Baghdad yesterday after two days of meetings in Teheran during which Iranian leaders held to a hard line on settling the Gulf conflict.

During the meetings, including a final session with parliamentary speaker Ali Akbar Hashemi Rafsanjani, the Iranian officials called not only for the "identification" but also the "punishment" of the aggressor in the war, Iran's official Islamic Republic News Agency (IRNA) reported in a dispatch monitored in Paris.

Perez de Cuellar was hoping to win Teheran's acceptance of UN Security Council Resolution 598, which calls for a ceasefire in the war. The resolution does not blame either side for starting the conflict, which Iran maintains was initiated by Baghdad. The Iranian comments were likely to fuel pessimism in Baghdad where Perez de Cuellar starts talks today and tomorrow.

Iraqi leaders have already implied that Iranian recalcitrance would make the secretary general's peace mission a failure, according to diplomats in Baghdad.

"Iraq calls the great powers to adopt a clear position on the complete and precise application of Security Council 598," Iraq's governing revolu-

tionary command council said late Saturday, as Perez de Cuellar was midway through his efforts to win Iranian acceptance of the UN ceasefire resolution. The statement was a direct reference to the final section of the 10-point resolution, which says the Security Council will "consider further steps to ensure compliance." Iraq would like to see this section translated into sanctions against Iran.

Iranian leaders, in accounts of the meetings broadcast by Teheran radio, did little to discourage Baghdad's scepticism over the outcome of the peace mission.

"The duty of the United Nations is not only to establish a ceasefire but to come to terms with flagrant aggression," said Iranian President Ali Khamenei, who met Perez de Cuellar earlier yesterday. "The only formula acceptable for Iran is one that calls for the punishment of the aggressor."

Iranian foreign minister Ali Akbar Velayati and two of his top deputies also attended the meeting with Perez de Cuellar, said the radio.

Despite their apparent scepticism, Iraqi leaders said they were "ready to have positive and constructive discussions with Mr. (Perez) de Cuellar."

Iraq has officially accepted the July 20 UN resolution — which calls for an immediate ceasefire in the Gulf war — on the condition that Iran also agrees to implement it. Iran has officially neither accepted nor rejected the measure. Diplomats here have said Iraqi leaders are worried that the peace efforts underway could lead to a partial solution in the war, concentrating on halting shipping attacks in the Gulf while ignoring the ground war. Such a halt would favour Iran, which relies much more heavily on the waterway for its oil exports than Iraq, which can transport oil via pipeline through Turkey and Saudi Arabia.

In a related development, the six-member Gulf Cooperation Council (GCC) urged Iran yesterday to provide a "favourable" response to the ceasefire call. The GCC statement came following a meeting in Jeddah, Saudi Arabia, of the foreign ministers of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates. Both Teheran and Baghdad yesterday denied charges that they had shelled one another's cities the previous day, in what would have been a violation of the unofficial truce requested by the secretary general during his four-day trip.

There have been no reports of attacks on shipping in the Gulf during his trip.

Moslem fanatics stir up trouble in Egypt

Jerusalem Post Staff and Reuters

Moslem fundamentalist extremists have been responsible for recent widespread disturbances in two large Egyptian cities in Upper Egypt's Nile Valley, el-Minya and Assiut.

Egyptian security forces have arrested hundreds of fundamentalist demonstrators on suspicion of having set fire to shops selling video cassettes, stoning busloads of American tourists and destroying a truck carrying beer.

Kate Dowling reports for Reuters from el-Minya, that Moslem fundamentalists who are demanding an Islamic state in Egypt have been talking the law into their own hands and shaping society in that southern Nile-side city.

In a garbage-strewn district of unimproved roads and open sewers in el-Minya, 250 km. south of Cairo, Ali Abul-Rahman is known as the "prince." He has created a fiefdom where his loyalists dispense their brand of Islamic justice. Two weeks ago, radicals seeking to enforce an Islamic ban on alcohol attacked a truck loaded with beer and destroyed its contents.

Security police moved in on August 28. They fired tear gas and smoke bombs at the Al-Rahman mosque during midday prayers and arrested 40 members of the fundamentalist group.

"The government does not apply the sharia (Islamic law) as a law of the state so it is our duty as Moslems ... to ensure that Islamic laws are respected," said Abul-Rahman in an interview, given only after Dowling denounced a head scarf.

He said his group's action was justified because police were lax in enforcing an existing ban on alcohol in el-Minya. "Our religion bans alcohol and yet the government produces alcohol and promotes its use," he said. "A true Moslem has no choice but to take positive action and destroy this evil. This of course puts him into confrontation with the law."

Abul-Rahman also admitted that in a campaign against corruption, his vigilantes had collected and destroyed pornographic video tapes, disciplined unchaperoned young men and women and flogged drunks loitering in the street.

Abul-Rahman, who declined to give his age, was one of hundreds arrested after Moslem zealots killed President Anwar Sadat in 1981. He spent three years in a Cairo prison.

Friction with Christians who live side-by-side with Moslems in the teeming slum area has been inevitable. They are a significant part of el-Minya's estimated 150,000 population. The opposition *Al-Ahali* newspaper, in a full page article on el-Minya this week, said that a Christian youth had been stabbed to death after zealots accused him of insulting Islam. Asked about the incident, an el-Minya resident said in a muted voice that he was told the young man had tampered with the veil of a Moslem woman.

"It is always tense here on Fridays," said the unnamed Christian owner of the "Happiness" photo studio beside the Al-Rahman mosque.

No more French troops for Chad

PARIS (Reuters) — French Defence Minister Andre Giraud said in an interview published yesterday that France was moving its air defence force in Chad towards the north of the country.

Giraud ruled out sending any more troops to France's former colony to support President Hissene Habre in his conflict with neighbouring Libya over a border strip.

France has some 1,200 men, mainly around the capital N'djamena, providing air cover and logistical support for Habre's troops under "Operation Sparrowhawk."

"There is no question of sending a single extra soldier (to Chad)," Giraud told the weekly *Journal du Dimanche*. "If we are redeploying Op-

eration Sparrowhawk, it is only to move its centre of gravity toward the north. That's all. There is no question of new military operations or of sending more fighting units."

Some leading French parliamentarians have called on the government to step up its involvement in response to clashes between Chad and Libya which culminated in France shooting down a Libyan fighter-bomber on September 7.

On Friday, Chad and Libya agreed to a ceasefire in their conflict over the disputed Aouzou border strip which both countries claim to be an integral part of their territory.

Despite French advice to let international arbitration solve the dispute, Chad seized the border strip's

capital Aouzou on August 8 only to be driven out by Libya three weeks later.

Taking credit for Chad's acceptance of a ceasefire call, Giraud said: "We are listened to. Look at Chad's announcement. It agreed to the ceasefire recommended by the OAU (Organization of African Unity)."

He said France had no intention of changing its policy in Chad or of stepping up its military support: "We will continue to do what we have done up to now: Support the legal government using military force if necessary, up to the southern limit of the Aouzou Strip. Anything north of that we leave to international arbitration."

Aquino troops dislodge communist rebel forces

MANILA (Reuters) — Government troops have dislodged communist rebels entrenched in a village near Manila after fierce fighting that may have killed more than 30 people, the army said yesterday.

In Manila, at a rally of 30,000 young people, supporters of President Corason Aquino called on Filipinos to defend her against army coup plotters.

Major Vidal-Quinol said more than 30 people were killed during Saturday in 10 hours of fighting between troops and about 40 guerrillas in the rebel stronghold of San Juan, a village in Bataan Province, 60 km west of Manila.

Quinol said the rebels had fled and were now being hunted.

"This is the kind of victory President Aquino had asked for when she called on her army to give her a string of honourable victories," Quinol said.

Quinol, regional operations chief, said the dead included six soldiers. San Juan has been under rebel control for years. Communist forces

paraded openly with their guns there when a temporary 60-day ceasefire took effect last December.

Supporters of Aquino, who is struggling to end political turmoil after the army coup attempt last month, sought to re-launch "people power," a mass outpouring of Filipinos into the streets that helped sweep her into office last year.

"Let us all unite, link arms and tell our enemies that we will not allow them to take away the freedom and democracy we worked very hard for," ruling-party Senator Joey Lina told Manila University students at a big rally in a central park.

After the government supporters dispersed, 1,000 people, mostly supporters of ousted ruler Ferdinand Marcos, occupied the same park. They called on Aquino to show leniency to rebel Colonel Gregorio "Gringo" Honasan and other leaders of the August 28 mutiny.

Aquino had ordered the arrest of the fugitive coup leaders saying: "There would be no terms for traitors."

Seoul party chief leaves on image-boosting trip to U.S.

SEOUL (Reuters) — South Korean ruling party leader and presidential candidate Roh Tae Woo left yesterday for image-boosting visits to the United States and Japan, which will include talks with President Ronald Reagan and Prime Minister Yasuhiro Nakasone.

Political analysts and diplomats here said the former general's first overseas trip since taking over the Democratic Justice Party leadership in 1985 was largely aimed at improving his image at home and abroad before December's presidential balloting.

Opposition leaders have warned that the meeting with Reagan could arouse suspicions of U.S. meddling in Korean affairs. Roh said the trip was to bring home to South Korea's main allies that "our country is passing a grave turning-point peacefully under a national consensus and approaching the road to democratization."

President Chun Doo Hwan's chosen successor, Roh is due to give speeches on the domestic political situation and on relations between South Korea and the U.S.

Opposition leaders Kim Dae Jung and Kim Young Sam, who are vying for the opposition nomination for what will be South Korea's first free, direct presidential election for 16 years, have said any Reagan-Roh meeting could raise suspicions that Washington wanted to intervene in the election, favouring Roh.

Kim Dae Jung, who spent two years in self-imposed exile in the U.S. until February 1985, said last Thursday after a provincial tour testing his own bid for the presidency that anti-American sentiment had grown in South Korea because Washington backed what he called military dictatorship.

Texans welcome the pope

SAN ANTONIO (Reuters) — Cheering thousands gave Pope John Paul II a rousing welcome to the heartland of Texas yesterday as he arrived here to give a special embrace to Hispanic Americans.

The faithful jammed the city streets along the pope's route and it was possibly the biggest mass of his ministry tour of the U.S. Up to half a million had been expected for the mass but just before the start of the service officials estimated that only about 275,000 had gathered.

Steamy temperatures and tough border patrols appeared to have kept many people away, including an expected influx of pilgrims from northern Mexico.

Border officials said the numbers of Mexicans crossing was far lower than the 150,000 expected and put the figure at near 10,000 legal crossings.

Hispanic Americans already make up about 30 per cent of America's 53 million Catholics and by next century they are expected to be the religion's majority ethnic community in the U.S.

The border officials said there were no figures available for Mexicans who tried to cross illegally, but in view of the small number of legal crossings they doubted if more than a handful of "wetbacks" tried to reach the mass.

FOREIGN BRIEFS

Guyana-bound weapons confiscated in Marseilles

Jerusalem Post Correspondent
PARIS. — A large quantity of weapons and explosives was seized in Marseilles on a ship which came from Lebanon. It was reported on Saturday.

The 60 Kalashnikov assault rifles, four RPGs, one M16 rifle, 10 mm. Czech pistols, 160,000 rounds of ammunition and 60 rocket-propelled grenades were to be delivered in the South American French territory of Guyana.

Official sources believed that the final destination of the weapons could be a guerrilla group led by the Surinam rebel Ronnie Brunswijk.

Surinam and French Guyana have a common border, the Maroni River.

Ministers dropped in Romanian reshuffle

VIENNA (AFP) — Two new vice-premiers were named Saturday in a Romanian government reshuffle in which three vice-premiers and a high official were dropped, according to Romanian reports monitored here. The two are Stefan Andrei, an alternate member of the Politburo who was foreign minister from 1978 to 1985 and former secretary of state on the state planning committee Ion Constantinescu.

The three sacked vice-premiers: Dimitrie Ancuta, Ion C. Petre and Aneta Spronic would be given other posts, the national news agency Agerpres reported. The agency said Ion Patzan, who took over as president of the state prices committee in June last year, had also been dismissed and would be given another job.

Maxwell wants to start paper with Yomiuri

TOKYO (AFP) — British newspaper tycoon Robert Maxwell has said he wants to publish an English-language newspaper jointly with Japan's largest circulation newspaper, *Yomiuri Shimbun*, the *Yomiuri* reported yesterday.

Maxwell, who is publisher of the *Mirror* group of newspapers, told *Yomiuri* president Yosoji Kobayashi on Saturday that he wanted to publish a newspaper jointly with *Yomiuri* to introduce Japan to overseas readers. The newspaper would be named *The Japan Daily* and would be simultaneously printed in New York, San Francisco, London and Japan. Britain's *Daily Mirror* would undertake the printing and distribution.

China typhoon kills 67

PEKING (AFP) — Typhoon Gerald left at least 67 people dead as it swept across eastern China, according to reports here yesterday. Most of the victims were buried as their houses collapsed around them when Gerald swept across Fujian Province on Saturday, reportedly packing winds of 104 kilometres. In addition to the 67 dead, another seven were listed as missing and 31 injured, many seriously, the Shanghai *Wenhui Bao* said.

A total of 308,800 acres of crops were damaged in torrential rain which hit 33 districts of Fujian. In one district, 50 centimetres of rain fell, the official New China News Agency said.

The Chinese coast regularly suffers typhoons at this time of year. More than 40 people were killed and 200 injured when a typhoon hit Shanghai and Zhejiang Province in July last year.

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Echoes Of Détente

Superpowers Prepare For Talks in Spirit of Tough-Minded Realism

By DAVID K. SHIPLER

SOViet-American relations have entered a season of irony. Seven years after Ronald Reagan campaigned against the policy of détente, his Administration and the new Soviet leadership under Mikhail S. Gorbachev have revived major elements of that concept.

It is not a time of sweetness, to be sure, and the term "détente" is shunned as a dirty word to conservatives implying softness on Communism.

As Soviet Foreign Minister Eduard A. Shevardnadze arrives today for talks later in the week, there is no buoyant sense of open-ended expectations, as there was among some Americans in the early 1970's, when the era of détente began. But in a hard-headed spirit of pragmatism, the superpowers have reconstructed their relationship in practically every field, even advancing into areas of cultural exchange and diplomatic dialogue that were impossible during détente.

They are on the verge of eliminating their intermediate-range nuclear weapons in Europe. They are searching for agreement on reducing long-range, strategic nuclear arms. High-level officials from the two countries now hold regular talks on human rights — most recently on Aug. 24 and 25 — a subject the Russians once refused to discuss. Some of their meetings on regional issues — especially on the Middle East — have begun to go past the recitation of familiar positions and into serious examination of issues.

The superpowers have even cooperated diplomatically where their interests overlap — most recently in the Security Council resolution calling for a cease-fire in the Iran-Iraq war, and in mutually warning Libya against sending sophisticated mines to Iran in exchange for chemical weapons.

For the first time, Soviet authorities have allowed student exchanges at the high school level. Ten youngsters from Phillips Andover Academy are now at a prestigious school in the Western Siberian city of Novosibirsk, while 10 Soviet high school students are about to begin five weeks at Andover.

Undergraduate exchanges, previously restricted to language study, have been extended to other disciplines: 10 Soviet chemistry and physics students are spending a semester in this country, five of them at Yale, five at the University of Maryland. In the 1970's, six cities paired up as "sister cities," exchanging visits, an American official recalled; now there are 14 pairs of sister cities, and within a year there will be at least 28 pairs. The exchanges of scholars have become "quite extensive," he said. "We are back at the levels achieved at the height of the 70's and have begun to move into areas we didn't do in the 70's."

The era of détente (French for relaxation of tension) — which included cordial Nixon-Brezhnev summits, an anti-ballistic missile

treaty in 1972, the Apollo-Soyuz joint space flight in 1975, and an imaginative business deal exchanging Pepsi-Cola for Stolichnaya vodka — came to an end in the Carter Administration when the Soviet Union sent troops into Afghanistan in December 1979.

Much of the current change stems from Mr. Gorbachev's policy of glasnost, or openness, an effort to loosen up some of the old strictures of the system and free his countrymen for more contact, debate and travel.

This led eight days ago to an unprecedented visit by three United States Congressmen and staff members to an unfinished Soviet radar installation near Krasnoyarsk, which the Reagan Administration has charged violates the 1972 Anti-Ballistic Missile Treaty's limits on missile defenses. The delegation returned without a definitive answer as to whether the radar violated the treaty; the Reagan Administration maintained that it did.

One hard-line Administration analyst dismissed the new openness as "manipulative." But others saw it as significant in possibly shaping a more realistic Soviet-American relationship, one that deals more honestly and constructively with differences and disagreements.

Betting on Internal Change

But this does not necessarily translate into practical results, according to Stephen Sestanovich, a Soviet affairs specialist who recently left the White House staff to become director of the Soviet Studies program at the Center for Strategic and International Studies in Washington. He said, "Emigration, although it was harder to talk about [during détente] was at a higher level."

Since April, Soviet officials have been granting about 800 visas a month to Jews who say they plan to emigrate to Israel. In 1979, the peak year of Jewish emigration, more than 51,000 Jews left. "We're talking more and enjoying it less," Mr. Sestanovich said.

One fundamental difference from the era of détente, he observed, is the hope now being placed on internal change in the Soviet Union. "In détente, the engine in the transformation in relations was thought to be negotiation," Mr. Sestanovich said. "Now it's thought to be reform." In the Reagan Administration, he added, "There's intense suspicion of the notion that arms control can fundamentally transform the relationship. I don't think people believe that. Arms control comes with less of a political charge, less in expectations inside the Government."

There is a confluence now between this move toward internal liberalization by Mr. Gorbachev and President Reagan's desire to leave some accomplishment in foreign policy as he ends his term. And some Reagan conservatives are emerging from their experience in government less fearful of the Russians, in one former official's view. "People who hadn't been in office before got used to dealing with the Soviets, and it didn't seem so hard," he said. "People came to be more im-



The New York Times/William J. Broad (radar); J.E. Pictures/Network (helicopter); Picture Group/Rick Rosen (demonstration); Sygma/Kousserberg/Verwey (Afghan rebel)

pressed by the Soviets' problems," especially in Afghanistan, which is on the agenda when Secretary of State George P. Shultz and President Reagan meet on Tuesday with Mr. Shevardnadze.

In Soviet eyes, arms control remains the centerpiece of the relationship. And Mr. Gorbachev has made it clear that he will not accept the standing American invitation to visit the United States until an agreement is ready to sign. That could come as early as November, American officials believe, if the finishing touches are put on the accord to eliminate

intermediate-range nuclear missiles.

As important symbolically as that accord would be, it stands at the periphery of the nuclear arms race. The crucial task is to reduce long-range, strategic nuclear weapons, and those talks have made little headway in the last year.

President Reagan insists on the freedom to develop a space-based missile defense system; Mr. Gorbachev insists that such a system be curtailed. Other obstacles also exist to a strategic weapons accord.

In addition, some American officials fear

Pressure Points

Among Soviet actions causing United States concern are (clockwise from upper left) possible violations of defense treaties, as exemplified by radar station in Siberia; military aid to the Sandinista Government of Nicaragua; the denial of human rights to Soviet Jews seeking to emigrate, and the war against guerrillas in Afghanistan.

that the low emigration rates of Soviet Jews will create an adverse political climate for arms control. Soviet authorities last week told several long-time refuseniks — including Josif Begun, Viktor Brailovsky and Arkady Mai — that they could leave. Rights campaigners saw it as a welcome gesture, but not enough to defuse the issue, which continues to color the relationship.

"The U.S. position," an American official said, "is that the best thing they can do in human rights is make the Gorbachev revolution permanent."

Ideological Battles Date Back to 1795

Both Sides in Bork Debate Seek the Blessings of History

By LAURA MANSNERUS

After a long summer of discourse on Judge Robert H. Bork's nomination to the Supreme Court, his views are nothing if not on the table. Less certain, as the Senate Judiciary Committee begins nomination hearings Tuesday, is exactly what the Senate should do with them.

As to the meaning of "advice and consent" and the Senate's treatment of 200 years of nominees, never, it seems, has interest been keener. "I hear people on buses debating whether it's the President's prerogative," said Prof. Walter Dellinger of Duke University Law School. In the Senate, the Judiciary Committee chairman, Joseph R. Biden Jr. of Delaware, recounted history for an hour in July, and inserted in the Congressional Record a list of 26 nominees rejected or forced to withdraw. He was followed by several Republicans offering their own citations.

Judge Bork's opponents, looking at an unusually conservative jurist and a probable tilt in the Court's balance, maintain that the Senate enjoys the same right as the President to make a political decision on a nominee. Judge Bork's supporters say "advice and consent" is a veto power reserved for cases of incompetence, cronyism and moral turpitude.

The American Bar Association, with a rating process that excludes inquiry into a candidate's views, is supposed to help sanitize the process. But last week each side seized

upon reports that its judiciary panel had split, 10 to 5, on whether to rate Judge Bork "well qualified."

The record does show that the Senate has not always deferred to Presidents. The list of rejected nominees — roughly one in five — begins with John Rutledge, nominated as Chief Justice by Washington, and ends with Nixon candidates Clement F. Haynsworth Jr. and G. Harrold Carswell. Among those given a hard time were Roger Taney, Louis Brandeis and Charles Evans Hughes.

The early battles were the most partisan. Rutledge was turned down by his own side, the Federalists, who accused him of disloyalty after his denunciation of the Jay Treaty with Britain. In the early 19th century Whigs and Democrats commonly refused the others' candidates, and in 1866, a Republican Senate deeply hostile to Andrew Johnson simply abolished the vacancy he was trying to fill by cutting the size of the Court.

The Senate's modern stance has been more accommodating — in part, according to Prof. Herman Schwartz of the American University Law School, because for a long run of 20th-century Presidents "there was nothing to fight about."

One exception was John J. Parker, rejected in 1930. He was portrayed as anti-labor and anti-black, although on the appeals bench in later years he turned out to be neither. Justice Abe Fortas, nominated to

be Chief Justice by President Johnson, withdrew in the face of a filibuster joined by senators who questioned his integrity and vented anger at the liberal Warren Court. Leading the filibuster was Senator Strom Thurmond, Republican of South Carolina, who declared: "The Supreme Court has assumed such a powerful role as a policymaker in government that the Senate must necessarily be concerned with the views of the prospective Justices."

Justice Abe Fortas, nominated to

Administration, when Congress happily watched the President remake the Court even after rejecting his Court-packing bill.

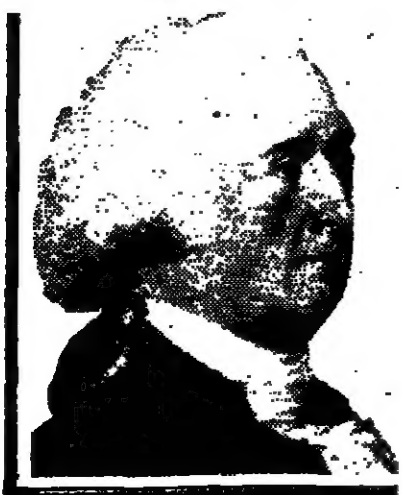
But Professor Dellinger, who has advised the Judiciary Committee majority on the Bork nomination, says the Senate simply happened to agree with Roosevelt. He said that the Senate acted "perfectly appropriately" in the Fortas battle as well, and had always felt free to make decisions on ideological grounds.

Some scholars say history may confirm an assertive Senate role but does not commend it. Prof. Richard Friedman of the University of Michigan Law School, said, "The period in which the Senate most actively rejected nominees on political grounds most closely coincided with the worst period in the Court's history, when it was most political, and that was Reconstruction."

The terms of the current debate are slippery, just as they were in earlier confirmation battles. "Political" objections typically shade into complaints about competence and integrity, and the well-worn term "judicial philosophy" means different things to different people.

Lewis F. Powell Jr., the man Judge Bork would replace, said in an interview shortly after his retirement, "I never think of myself as having a judicial philosophy." Nor was there much discussion of one when he appeared before the Senate 16 years earlier, known as a distinguished lawyer and a Democrat with conservative tendencies. The vote to confirm was 89 to 1.

3 Who Failed the Test



John Rutledge: Washington's nominee and the first to be turned down, as senators protested his opposition to the Jay treaty.



John J. Parker: A Hoover nominee, opposed by labor and civil rights advocates but well regarded now.



Abe Fortas: A loser in the lame-duck Johnson Administration, when many senators decried the direction of the Warren Court.

The World

Manila

Aquino Asks Forebearance

Corazon C. Aquino, who became president of the Philippines in a burst of "people power," was learning last week about the fickleness of the populace. With Mrs. Aquino still shaken by the Aug. 28 coup attempt and under pressure from various quarters, her entire Cabinet and many of her aides resigned to give her a free hand to reorganize the Government.

Mrs. Aquino appealed for forbearance. "I need your help badly, especially at this time when there are still elements who are out to overthrow this Government," she said in a televised chat.

There were indications of widespread agreement in the military with the complaints of the coup leader, Col. Gregorio Honasan, who is in hiding. He has accused the Government of corruption, indecisiveness, and softness in combating the Communist insurgency. Many businessmen, Roman Catholic priests and landless farmers have joined the chorus of discontent. Criticism welled up after Mrs. Aquino's closest adviser, Executive Secretary Joker Arroyo, appeared before the Philippine Congress and assailed the motives and tactics of leading businessmen, politicians and the press. He questioned the loyalty of the military and compared the army spokesman, Col. Honesto Isleta, to Hitler's propaganda chief, Josef Goebbels.

Filipino commentators said that whatever changes Mrs. Aquino makes, military plotters remain at large and new coup attempts are still possible.



Joker Arroyo, President Corazon C. Aquino's executive secretary, after the Cabinet resigned.

Chad

Ndjamena Sends Troops Into Libya

Chad, a landlocked equatorial African country of 5 million with a per capita income of less than \$100 a year, had rarely attracted world attention in its 27 years of independence until it started fighting with its neighbor Libya several years ago. The concern is not so much over Chad, which has little to buy and sell in the world, but with its enemy's leader, Col. Muammar el-Qaddafi. The Libyan leader's heavily equipped armed forces have been occupying parts of a disputed desert area of northern Chad. From time to time there are battles, and victories for Chad are interpreted as humiliating defeats for Colonel Qaddafi. Last weekend Chad reported that its troops had raided Libya for the first time: a foray to the Matan as Sarra air base 60 miles across the border, killing 1,713 Libyan soldiers. On Monday, Libya responded by sending warplanes over Ndjamena, Chad's capital, formerly Fort Lamy, and one of them was reportedly shot down by French forces. At week's end, Libya and Chad agreed to a cease-fire proposed by the Organization of African Unity, then almost immediately the Chadian embassy in Paris claimed that Libya had violated it.

The Contras

New Aid For Rebels Is Proposed by Shultz

The Reagan Administration presented its proposal last week for \$270 million in new aid over the next 18 months for the Nicaraguan rebels, provoking criticism from leading Congressional Democrats that the move could damage peace negotiations in Central America and warnings that it would be rejected by Congress. This early, sharply negative reaction came as Secretary of State George P. Shultz advocated the proposal Thursday before the Senate Foreign Relations Committee. He contended that unless the United States continued to support the insurgents, or contras, the Sandinista Government in Nicaragua would have little incentive to adhere to the provisions of a peace-process accord signed last month in Guatemala by the presidents of five Central American countries, including Nicaragua. The accord, which calls for cease-fires, amnesties and a restoration of democratic rights, is to take effect beginning Nov. 7. Opponents of the aid say that the Administration is supporting the violent overthrow of a government with which it still has diplomatic relations and that new contra funds would undercut the peace process.



Secretary of State George P. Shultz testifying before Senate committee on aid to the contras.

Waning Dreams of German Unity



Chancellor Helmut Kohl of West Germany (right) speaking to Erich Honecker, the East German leader, in Bonn.

Honecker Visit to West Stirs More Curiosity Than Passion

By SERGE SCHMEMANN

ERICH HONECKER'S long-delayed visit to West Germany last week proved, in the end, as rich in symbolism as it was weak on results. From the moment the East German leader's Soviet-made plane touched down in Bonn with its little East German flags flapping, the West German press struck up a sustained chorus of "this couldn't have happened 10 years ago." After 38 years of bitter, sometimes bloody division, here were the flags of the two Germanys together and their anthems playing. Here was the man who supervised the erection of the Berlin Wall 26 years ago, and who virulently rejected German reunification, standing alongside Chancellor Helmut Kohl, whose Government holds eventual German unity sacred.

Each leader insisted that the meeting confirmed his myth. Mr. Honecker's spokesmen presented the visit as

confirmation of East Germany's sovereignty and legitimacy, while the Communist leader dismissed unity as a "fireside dream." Mr. Kohl insisted that the visit did nothing to undermine West Germany's constitutional faith in unity. He cast the visit as proof of the efficacy of his efforts to bring the Germanys closer, and he gave his visitor a tongue-lashing, reproduced in East Germany, about the wall and the order to shoot on sight anyone attempting escape to the West.

But beyond the competition and hoopla, the practical results seemed almost negligible — agreements on scientific-technical cooperation, environmental protection and nuclear safety, and a few measures to make travel and communication a little easier.

"Taken one by one, these measures can seem unimportant," said Wolfgang Schäuble, a senior Chancellery official. "But it is their accumulation and their incorporation into a process that gives them meaning."

He was probably right. Strange as it seemed to see the two German flags side by side or to watch the builder

of the wall crossing it with honor, these events seemed less a breakthrough than an indication of where the relations between the two Germanys had come after 38 years.

After all the delays, suspense, fears and dark forebodings, in the end the Germans found that the visit generated more curiosity than passion. If the topics covered in the official discussions seemed minor, their very routine testified that in the last 15 years, the two Germanys had moved beyond dramatic breakthroughs and gestures. Last week's meeting, as Mr. Schäuble said, was a plateau, not a pinnacle.

It had been precisely the fear that a visit by Mr. Honecker would raise the specter of German nationalism, with all the attendant risks of a potent new Reich disrupting the cautious East-West balance, that had raised reservations in Paris, Moscow and even Washington.

Indeed, as the pundits chanted, it couldn't have happened 10 years ago. But in 10 years much had changed, and perhaps the most important achievement of the visit was that it laid to rest old illusions. Mr. Kohl reiterated that "the Federal Republic of Germany is firmly anchored in the Western alliance. She is not a wanderer between East and West." Mr. Honecker's allegiance was never in doubt.

'Our' Goethe, 'Your' Marx

Domestically, though a sense of kinship remains strong, West German polls showed that the expectations of quick unification have waned. Less than a fifth of those questioned last week thought the visit would seriously promote political unity, while about half said they hoped it would lead to better inter-German relations. Said Oskar Lafontaine, the left-wing Social Democratic head of the Saarland state government, in a toast after Mr. Honecker visited Karl Marx's birthplace in Trier: "What could bind more than one history, one culture, one language? Of course it is now 'your' Weimar, honored guests from East Germany, but still 'our' Goethe." He added, "And it is 'our' Trier you visited this morning, but it is, of course, also 'your' Marx."

For the moment, Mr. Honecker appeared to be the bigger beneficiary of the visit. He received the recognition he had sought and promises that should bring more West German marks into his coffers. He made no concessions on the wall or the orders to shoot.

In fact, however, Mr. Honecker, too, will have to pay. For East Germans, the main interest was the possibility of liberalizing travel abroad. Mr. Honecker already has made major concessions. In eight months this year, 866,917 East Germans under retirement age (when all travel restrictions are lifted) visited the West, compared with about 100,000 in all of 1982. If nothing else, Mr. Honecker will have a hard time arguing against family visits after his own emotional return to Wiebelskirchen, the sooty Saarland town where he was raised and where he embraced Communism.

Less tangible or predictable is the effect of having allowed a whole gamut of once-taboo notions into East German television and newspapers. Most East Germans, to be sure, get all the information they need from West German radio and TV, but allowing criticism of the Berlin wall to be aired in the official press could prove a harbinger of a glasnost Mr. Honecker has so far resisted.

A Voice From West Berlin

Coping With 'the Darkest Chapter of History'

By PETER SCHNEIDER

NEVER before have Nazi fascism and the Holocaust had such coverage in West Germany as in the last two years. An explanation is not easy to find. Certainly, part of the responsibility for fueling the attention rests with those politicians who have attempted to remove the subject from the agenda once and for all.

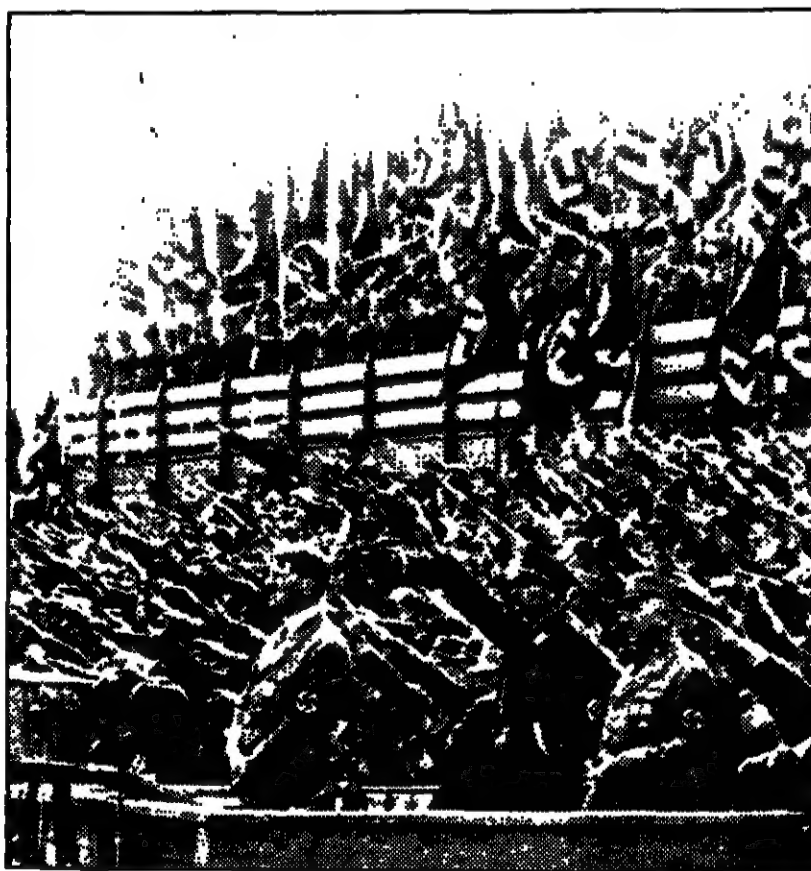
The undertaking of some Christian Democratic strategists to define the Germans as a perfectly normal people has boomeranged. A call from the Christian Socialist Union party chairman, Franz Josef Strauss, for Germans to step out from the shadows of their past, has merely created more questions. And when Chancellor Helmut Kohl, who was born in 1930, proclaimed that he belongs to a generation that bears no burden of guilt, it only led questioners to ask when the Chancellor reached school age. The attempts by Chancellor Kohl and others to seal the past have had the unintended effect of strengthening the accusations. Meanwhile, hardly a week goes by without a newspaper feature article, a magazine series or a television talk show thrusting the darkest chapter of their history in front of the Germans.

And thus a group has emerged, which, until recently, had remained in darkness — the children of Nazi families. A long overdue question is being asked: How have these children come to terms with the guilt of their parents? The question itself makes clear why the issue has so long been avoided. It doesn't just affect the children of prominent Nazi criminals. Since genocide by the Germans was not the work of a scattered few, it touches the children of those who occupied the low rungs of the Nazi ladder or contributed to the atrocities by simply marching along. A major segment of my generation cannot escape this inquiry.

In the legal sense, the children were innocent. The idea of collective German guilt was soon discarded after the war. Allied courts and, later, German federal courts, arrived at a concept of personal guilt, to be determined by due process. But this did not relieve members of the new generation of internal conflict. By the late 1950's, they were showing clear signs of guilt. The sensitive among them hitchhiked across the globe, but winced when recognized as Germans. They sang American songs, downed hamburgers, scorned sausages with sauerkraut and professed to loathe Wagner and Nietzsche. When they happened upon a fellow German abroad, they crossed to the other side of the street. These expressions of shame obviously sought to counter their fathers' obsessions with dominance. But no one thought to ask what conflicts this behavior concealed.

Theoretically, the children of war criminals had to decide between possibly equally strong emotions: attachment to their parents and repulsion for their crimes. However, the offspring of Nazis interviewed by Peter Schirovsky, in the recent book "The Children of Nazi Families," each chose a different way out. But none of these now-grown children have found a convincing method of coming to terms with their parents' crimes.

This was made clear by two almost diametrically op-



Hitler at a rally in Nuremberg in 1933.

posed cases. In 1985, the German weekly, Bunte Illustrierte, published a series on the concentration camp, physician Josef Mengele, in which his son, Rolf Mengele, tells of their relationship. Rolf was 15 when he learned his father's identity and that he was hiding out in Brazil. He began to write to him, requesting an explanation for the crimes of which his father was accused. At no point in

his correspondence did Josef Mengele display any glimmer of guilt for his role in selecting victims for the gas chambers and conducting lethal medical experiments on children. In his own letters it was the son who became increasingly defensive, playing the part of one who must answer his father's reproaches and justify himself. Most amazing of all, the son gave the name Daddy to a man he did not know and whose acts instilled repulsion. In 1977, Rolf Mengele decided to visit his father. By then, Josef Mengele was one of the most hunted Nazi war criminals, and his son was well aware of how he had earned the title "the Auschwitz Angel of Death."

Rolf Mengele rejected his father's vow that he had never killed a human being or caused any suffering. Despite this, eight years later, he would dispute the right of Bunte Illustrierte to associate his father with the words "criminal" and "murderer." And last year, seven years after his father's death, he told Phil Donahue in a television discussion that no one could have demanded that he turn in his father for prosecution.

Shocking the Public

The second example is a case of merciless reckoning. This summer, Stern magazine published a series on Hitler's representative in Poland, Hans Frank, by his son Niklas Frank. The rage with which Niklas Frank accuses his father of Nazi crimes contrasts sharply with Rolf Mengele's caution. Certainly, their basic circumstances differ. Hans Frank had faced the postwar Nuremberg tribunal as a war criminal and Niklas was seven years old when he discovered that his father had been executed. But Niklas Frank seems to have decided to set an example for his generation of how he thinks an enlightened son should deal with a Nazi father. He takes pleasure in describing the photograph of his executed father, stretched out on a blanket, his neck snapped. "Did you bite your lips under the hood while swinging from the noose?" he writes. As a child, the son writes with graphic detail, the photograph haunted even his fantasies.

The shock and repulsion this unleashed was doubtless intended. Immediately, commentators sought to respond to indignant letters from the public. As Henryk M. Broder noted in the weekly Der Spiegel, none of the letter writers had registered the same repulsion over the photographs of the hanged Poles and beaten Jews who were shipped off to die under the jurisdiction of Hans Frank. The Niklas Frank series could be considered a stroke of emancipation. After all, it allowed Niklas Frank to confront his father's crimes. My reservation, however, stems from the perception that Niklas Frank's method is contrived. His goal — the merciless reckoning — floods and blurs his portrayal of his father, which cannot succeed without precision and truth.

At no point does Niklas Frank consider what made him capable of feeling contempt and repulsion for his father, even as a child. He fails to show himself unsettled by a consideration of which traits he may have inherited from him. The father's terrible self-satisfaction, the conviction that he was acting in the name of a higher ideal, seems to be merely annoying to his son. It raises no doubts in Niklas Frank about the fallibility of his own ideology, according to which the Federal Republic of Germany is nothing more than a democratic mask of Nazi Germany. One could say that Niklas Frank tried to resolve the conflict between loyalty and repulsion by denying its existence. But perhaps the ill case that both escape routes create, Rolf Mengele's and Niklas Frank's, is an indication that there is no convincing solution to such a conflict.

U.N. Secrets

Opening the Archives

Ever since a file on the purported Nazi past of Kurt Waldheim, the former United Nations Secretary General, was unearthed last year, support has been growing for opening the archives of the World War II United Nations War Crimes Commission to historians and researchers. Diplomats and United Nations officials said last week that Javier Pérez de Cuellar, the Secretary General, was likely to yield to those demands next week at a meeting of countries that served on the commission.

The commission compiled 40,000 files. But accessibility has been limited to representatives of governments and kept confidential for four decades because much of the material is in the form of raw accusations. Israel has been pressing to have the archive opened. It is looking for new evidence to identify war criminals or strengthen cases already on the books. Israel also wants to see the full record of Nazi crimes made public while the purported war criminals and their victims are still alive.

Until Mr. Waldheim's wartime record as a Nazi army officer became an issue during his successful presidential campaign in Austria last year, most of the 17 governments on the commission opposed opening the files. But in recent months, all of the 17, except Poland and France, have shifted in favor of easier access.

Peter Schneider lives in West Berlin, where he writes novels, screenplays and magazine articles. He was a visiting professor last year at Stanford University.

Union Members Are Leaving Their 'Natural' Party

The Rank and File Buy Shares in Thatcherism

By STEVE LOHR

LONDON
ONE of last year's keynote speakers was notably absent from the rostrum when Britain's once-powerful trade unions met last week at Blackpool for their annual conference. Neil Kinnock, the Labor Party leader, attended the conference, but kept a relatively low profile, which seemed to underline how much the traditional bonds between the British union movement and the party it created at the turn of the century are loosening in the face of the economic and political changes wrought by Thatcherism.

The sweeping impact of Prime Minister Margaret Thatcher's free-market remedies on Britain is reflected in the plight of the trade unions: their membership is dwindling and their political clout has been sharply reduced. With the policy of state paternalism abandoned, the British economy has undergone a difficult restructuring involving long-term unemployment, which has shrunk the heavily unionized manufacturing industries. Since 1979, union membership has fallen by 3 million to roughly 9 million and the unionized share of the workforce has dropped from 51 percent to 37 percent, compared with approximately 17 percent in the United States. Moreover, the unions are having great trouble recruiting workers in growing new industries, such as financial services and electronics.

Just as significant politically are the changing circumstances and sympathies of the union members. Studies show that many union members like Mrs. Thatcher's vision of a homeowning, shareholding Britain, and that this approval has drastically altered traditional voting patterns.

For example, a survey last week by Market & Opinion Research International, a polling organization, found that among white-collar union members who head households 80 percent now own their own homes, 9 percent more than the population generally, while only 16 percent live in public housing versus 24 percent for the overall population. Meanwhile, the number of individual shareholders has tripled since 1979 to nearly 9 million, many of them union workers who bought shares in the Thatcher Government's string of privatization sales. The image of the cloth-capped unionist mired in class-consciousness is badly outdated.

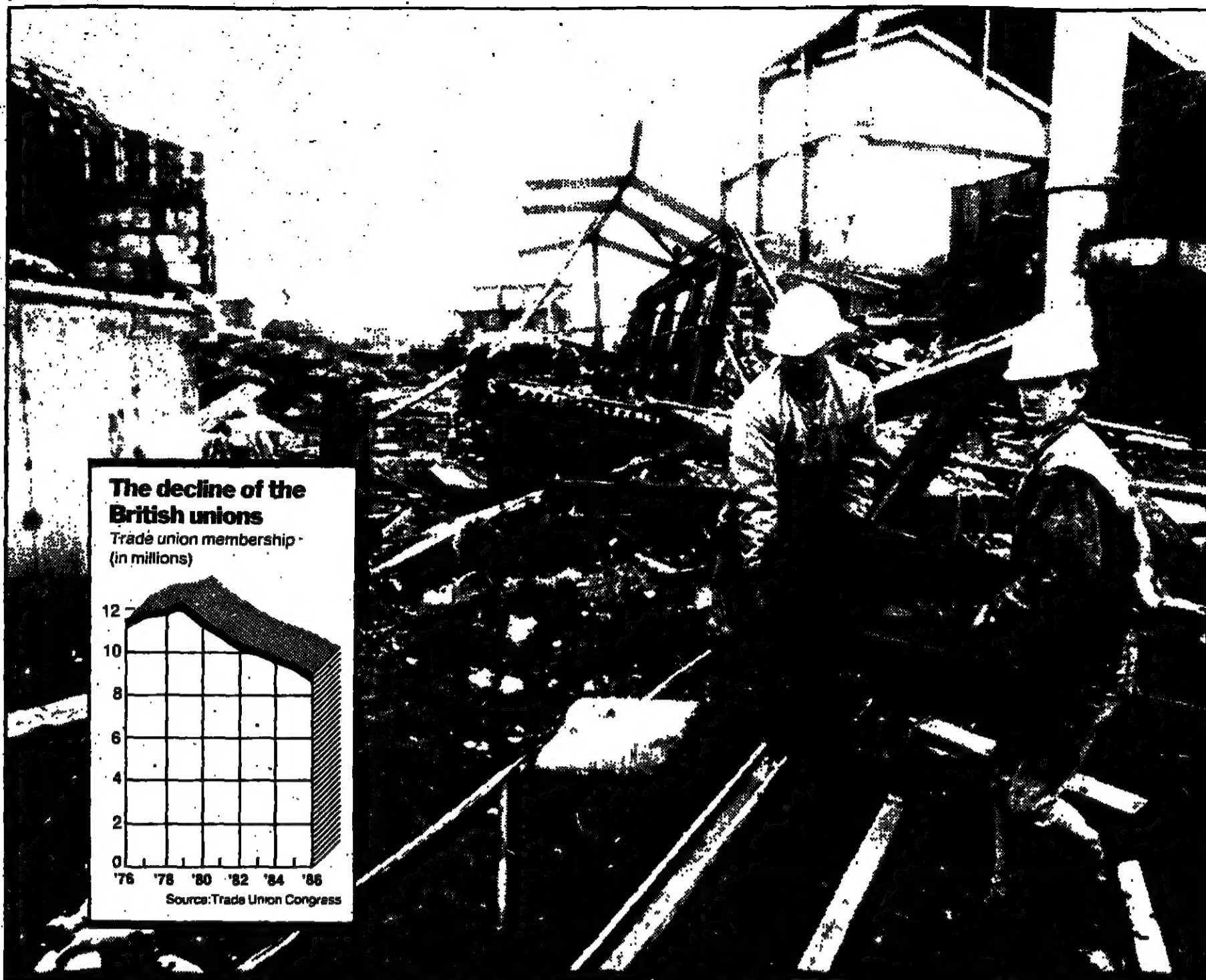
Today's union members are independent-minded voters. The Labor Party is still 80 percent financed by union contributions, but the rank-and-file no longer feels obliged to vote for its "natural" party. In last June's election, 42 percent of union members voted Labor, 30 percent Conservative and 26 percent for the two Alliance parties. By contrast, 55 percent of union members voted for Labor in 1974, the last time a Labor government was elected.

And union members who head households are now overwhelmingly in the Conservative camp. If an election were held today, according to the recent Market and Opinion Research International poll, 48 percent of the union household heads would vote Conservative, 36 percent Labor and 16 percent Alliance.

"The Labor Party clearly cannot rely on the support of the trade unions to get elected anymore," noted Robert Worcester, chairman of Market and Opinion and the pollster for the Labor Party.

Accordingly, the challenge for both the Labor Party and the union movement is to broaden their appeal. For Mr. Kinnock, his party's ties with the trade unions have been a severe political liability. At Blackpool, rather than taking the limelight, he was busy working on strategies for the Labor Party conference later in the month. The British public, including almost half of all union members, view the unions as controlled by left-wing extremists.

The anti-union sentiment, especially during the strike-bound "winter of discontent" just before the



Dismantling a colliery this summer in the depressed North of England, where unemployment has grown among union workers.

1979 election, was largely responsible for putting Mrs. Thatcher in office. Moreover, many of the Conservative Government's measures that curb union power, such as mandatory membership ballots before strikes can be authorized, have proved popular with union members. Even if a Labor government were elected, these strike ballots would remain, analysts say.

A New Breed of Leaders

For their part, the unions are finally showing signs of trying to come to terms with Thatcherism instead of wishing it would go away. "The unions must develop policies which do not depend clearly and solely on the return of a Labor Government," said

John Edmonds, general secretary of the General Municipal and Boilermakers and Allied Trades Union.

Most trade union leaders have nothing but scorn for the Prime Minister, but their tactics for survival have a Thatcherite look. They suggest a vast increase in the level and type of services that unions provide its members, including credit cards, personal loans, legal advice and recreational facilities. The message is being marketed with slick advertising and direct-mail techniques. It amounts to supplying consumers with needed services, not ideology, and it has been aptly called "market unionism." Most of the services the British unions are beginning to experiment with are already offered in the United States, and unions have been trying for years to adopt to the challenges

of a postindustrial economy.

To maintain membership, British unions must move into the fast-growing service businesses. The shrunken manufacturing sector is 70 percent unionized and the public sector 80 percent, but unions represent only 15 percent of the service workforce. A few unions have been successful in organizing hotel and fast-food outlet workers.

"The big gains for unions are to be made in the service industries," said John E. Kelly, a lecturer on industrial relations at the London School of Economics. "And they've only recently started to gear up to recruit new members. I think it would be a mistake to assume that British trade unions must continue to weaken steadily in the future."

New Uncertainties About President Sarney

Brazilians Struggle Against Gloom and Economic Disarray

By ALAN RIDING

RIODE JANEIRO
AFTER surviving two decades of military dictatorship, Brazil's innate sense of optimism has been battered by the political uncertainty and economic disarray that have followed the return of civilian rule 30 months ago. Quite uncharacteristically, gloom has now become the fashion.

It is nonetheless a peculiar crisis. More felt than seen, it has no single focus that might stir violence at home or headlines abroad. Rather, it has been shaped by the steady drip of bad news and the gradual recognition that inherited social, economic and political problems will not be easily solved. The first victim has been faith in democracy.

Last week brought new frustrations. On Tuesday, the United States, fearful of setting a precedent for bank losses on third world debt, effectively torpedoed Brazil's plan to convert \$35 billion of commercial bank loans into long-term bonds.

The plan would have been a novel way of easing the huge foreign debt burden of more than \$100 billion. The same day, a faltering land distribution program suffered a new setback when the Agrarian Reform Minister, Marcos Frieri, was killed in a plane crash.

These developments took place against a background that has been growing darker by the month. The resurgence of three-digit inflation following the collapse of a wage and price freeze imposed last year has dramatically eroded living standards in a country where the minimum wage now stands at just \$49 a month. And businessmen have stopped investing as they brace for a predicted recession.

Political uncertainty has been fed by debates in the special assembly that is sched-

uled to complete a new constitution by the end of the year.

The many unanswered questions include: How long will President José Sarney remain in office? Will a presidential or parliamentary system be adopted? What economic rules will apply and what social rights will be enshrined in the new constitution?

The immediate result has been that Brazil, which proudly boasts of being "the land of the future," now seems to be drifting rudderless. "I cannot remember a time when more people felt so pessimistic," said a successful businessman who is in his 70's. Added Pedro Paulo Senna Madureira, a young publisher: "In the short term and even the medium term, I see no way out this mess. You get the impression at times that the country is gradually falling apart."

Revising Opinions

A more ominous consequence is that the armed forces are being drawn back into politics. Under attack from all sides, President Sarney is increasingly dependent on their support, rarely missing an opportunity to appear in public with senior commanders.

Last month, he even encouraged the Army Minister, Gen. Leônidas Pires Gonçalves, to attack the latest draft of the constitution on the ground that it was prepared by "a radical minority." And a few days later, he pointedly praised the general's "enthusiasm, competence and dedication."

In the absence of strong leadership and economic stability, many Brazilians are revising their opinion of the former military regime. "We had inflation but it was steady and predictable, so we knew where we stood," Mr. Senna Madureira, the publisher, noted.

Gen. João Baptista Figueiredo, who was enormously unpopular when he stepped down as president in March 1985, is now applauded when he appears in public.



President José Sarney likes to be seen with military leaders, as at this meeting with Air Force, Navy and Army Ministers.

Further, in contrast to other "new democracies" in Latin America where the military is discouraged from participating in politics, the conservative Rio de Janeiro daily, O Globo, said it was "natural" for Brazil's armed forces to give their views on the new constitution. The Army Ministry added that Gen. Gonçalves's opinions had won wide support from civilians.

Yet while the armed forces are recognized, with enthusiasm or resignation, as an alternative of last resort, almost no Brazilians believe a coup is in the offing.

"I don't think the armed forces want to take over at the moment," a politician said. "I don't think they would take over until the entire country is begging them to do so — and that moment has not yet come. The problem is that Brazilians have little experience at working out their problems within a democracy. When there are problems, they im-

mediately think of the military."

Much of the current disenchantment with democracy is focused on Mr. Sarney, who was chosen as vice-president by an electoral college and who only became Brazil's first civilian ruler in 21 years when the President-elect, Tancredo Neves, died.

While Mr. Neves had opposed the dictatorship, Mr. Sarney just months earlier had been a longstanding ally of the military regime and its predecessors. Surrounding himself with politicians identified with the past, he hardly personified the change most Brazilians were expecting.

Having first announced he would remain in office for just four years, Mr. Sarney soon began maneuvering for a longer term. Last year this seemed feasible, but after the economy went sour, the entire focus of his Government turned to extracting at least a five-year term from the constitutional assembly.

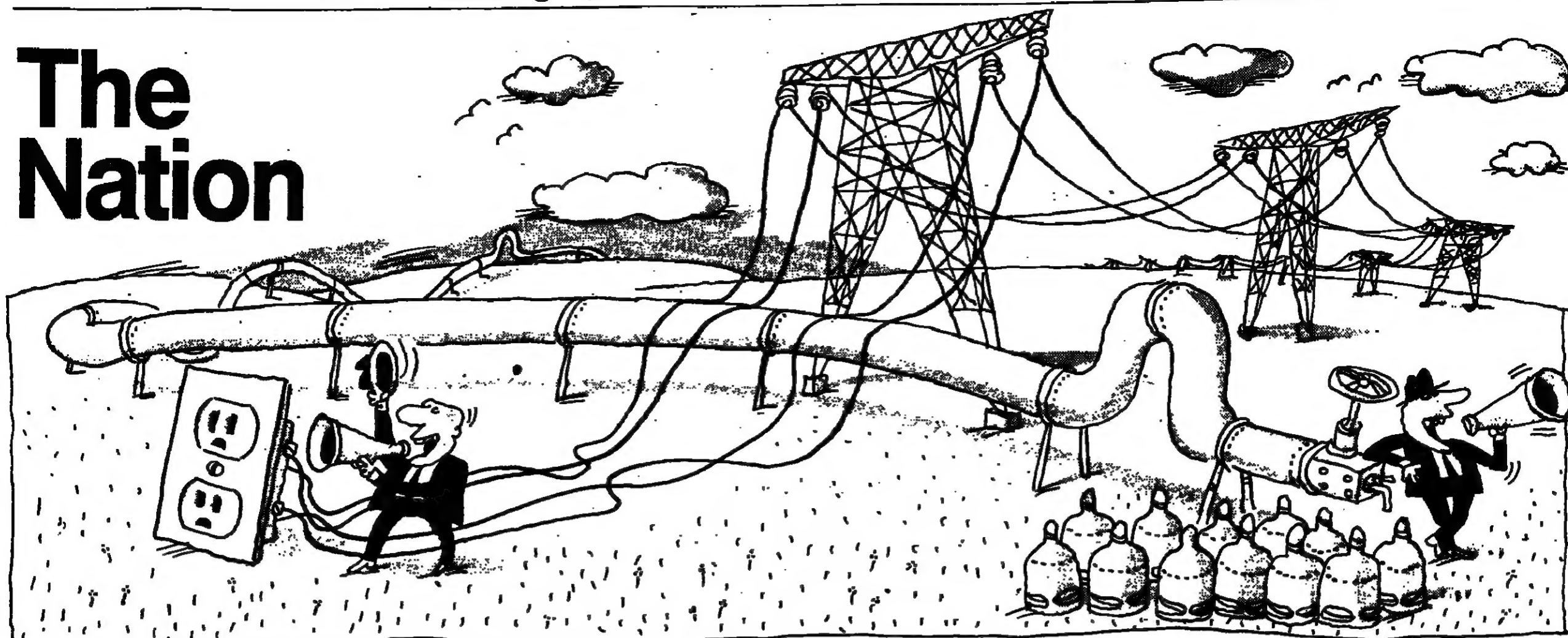
Shunning austerity measures that might further undermine his popularity, he has stood by as the economy bounces from crisis to crisis.

Meanwhile, many deeper structural problems have also appeared. Land conflicts in the countryside and violence in urban slums have been growing, health and educational services are deteriorating, the gap between rich and poor continues to widen and, in the view of many officials and businessmen, corruption is worse than ever. Further, the institutions necessary to bring about peaceful change — an independent judiciary, political parties, labor unions and professional organizations — have so far proven too weak for the challenge.

The real test of democracy, though, will only come after Brazil picks its first President by popular vote since 1960. But even those elections still have no date.

Once Again, a Search for Alternatives to Imported Oil

The Nation



Taking Stock of the Nation's Energy

FOR the short run, increased pipeline capacity in the Middle East has eased worries of a possible cut-off of supplies coming through the Persian Gulf and a consequent series of price shocks that would stagger the economy. Indeed, at midweek, after a report from the International Energy Agency that Saudi Arabia, OPEC's pivotal member, had exceeded its quota last month, oil prices dipped below \$19 a barrel on the world markets.

For the longer run, however, concern about the country's dependence on imported oil has far from abated. According to an Administration study, dropping domestic production could mean that by 1995, 50 percent of the nation's energy will come from foreign sources; during the 1973-1974 Arab oil embargo, the figure was 33 percent. Oil imports accounted for 86 percent of the jump in July's trade deficit, reported Friday, though that rate of increase is not expected to continue.

As for the domestic oil industry, as long as oil prices remain around \$18 a barrel, many analysts say American companies will be raising exploration budgets that were drastically curtailed after last year's price collapse. The oil-patch states continue to lobby for production incentives, with remedies ranging from repeal of the so-called windfall profits tax to an oil import fee. But it is increasingly clear that oil is not the only answer to the country's energy needs. The stories that follow explore the status of other energy sources.

Natural Gas

An Industry Bubbles Up After Deregulation

By ROBERT D. HERSHEY Jr.

A DECADE ago, after the shocks of the Arab oil embargoes, America's policymakers decided that natural gas — clean-burning, adaptable and convenient — was so precious a resource that it needed special protection. With supplies dwindling, Congress passed a law barring the use of gas for purposes considered nonessential, such as ornamental lighting, and, because other fuels were available, restricting its use for generating electricity.

This past summer, with the gas market glutted, the Fuel Use Act of 1978 was repealed. The United States, it seemed, was not in danger of running out of gas, only of people willing to produce it at artificially low prices.

Indeed, much of the gas business has now been deregulated, and the Federal Energy Regulatory Commission is proposing to introduce still more competition.

The commission regulates gas pipeline operators, the merchant-transporters who buy gas from producers and who sell it on the other end of the pipe to state-supervised local distribution companies. It would like to per-

mit users to buy services such as transportation and storage separately, even from different suppliers. As for producers, only "old" gas, or gas discovered before 1977, remains under Federal price control.

The history of regulation and deregulation in the natural gas is not that of other industries. Unlike airlines and banking, the restructuring of natural gas coincided with a major slump in the business.

Higher oil and gas prices prompted a burst of drilling activity in the early 1980's. Then came the 1981-82 recession, a struggle within the Organization of Petroleum Exporting Countries that intensified the downward pressure on oil prices, ferocious competition between fuels as well as within the gas business itself. Then came the exceptionally warm winter of 1986-87.

"The world has turned around," said Shelley N. Fidler, an aide to House Energy and Power subcommittee head Philip R. Sharp, Democrat from Indiana, of a situation in which legislation designed to preserve consumers' low-price supplies is holding those prices above market levels. "I'd never have guessed it."

The free market price of uncontrolled "new" gas at the wellhead has now tumbled below the regulated price of controlled "old" gas, to about \$1.30 per 1,000 cubic feet, the rough equivalent of \$8 a barrel for oil, oil's low point in 1986.

That is about half the average price of gas in 1984, a peak year. The American Gas Association, which mainly represents retail distributors, predicts that the 45 million homeowners who heat with gas will pay prices this winter that are no higher — and perhaps as much as 5 percent lower — than last season.

Continued regulation of old gas, which is being steadily depleted, is not seen as a major difficulty for producers or consumers. The elimination of other structural rigidities is far more important to competition in the industry, business and consumer advocates say.

Looser regulations in the pipeline business, for example, have led to the rise of a spot market in gas, making it possible for utilities to shop around for the best bargain in supply or transportation.

For the next decade, perhaps longer, the future of the natural gas business appears relatively bright — at least as to supply. According to an Energy Department report last week, additions to American gas reserves outside Alaska equaled 96 percent of production last year, about twice the 1968-1978 replacement average. The rate for oil was only 42 percent.

Industry's goal now is to spur demand, which slipped by last year to 17.5 percent below 1981 levels. The year's repeal of the Fuel Use Act, which had been resisted to the last by the coal lobby, will help considerably, people in the gas business say. They also point to significant growth in automotive fleets powered by compressed natural gas.

And they find encouraging signs as well in the residential market, where the dominance of gas has been under challenge from electricity. More of last year's new homes were heated with gas than with electricity, the first time this has happened since 1973.

"Gas is a 'freebie,'" declared Michael German of the American Gas Association official, referring to the environmental advantages it enjoys over all competitors. "If you have it, you can use it."

But what the Natural Gas Supply Association pointed out last week is also relevant. "The stark reality," the producers' group noted of the 20 percent drop in natural gas discoveries last year, is that the United States in 1986 used twice as much natural gas as it was able to find.

Nuclear Power

Summer Peaks Cast Shadows On Future Costs

By MATTHEW L. WALD

FALL cannot come too soon for the people who spent the summer at the control panels of the Northeast's electrical power system, watching in air-conditioned discomfort as demand grabbed every kilowatt they could beg or borrow.

Demand for electricity on the hottest day each year is usually just a little higher than it was on the hottest day of the previous year. In New England, where much home heating is electric, the record set each summer is generally beaten slightly on the coldest day of the succeeding winter. But this summer was a shocker.

Cost or conscience will move the public to conserve electricity, officials of the regional power pools say, but

only until the temperature gets into the 90's. "Then they say, 'I deserve it, it's my turn,'" said Carl Doll, the assistant manager of the power pool serving New Jersey, Pennsylvania and Maryland. On July 24 and again on Aug. 17, it seemed that everyone from Washington to Maine was taking his turn at the same time.

Mr. Doll's organization — the Pennsylvania-Jersey-Maryland Interconnection, a consortium of utilities in those states, Delaware and the District of Columbia — cut voltage by 5 percent on Aug. 17; the New England Power Pool had taken the same step on July 24, for the first time since 1974, and calling, for the first time since 1971, on the public to cut use. New York, with enough spare generating capacity to export power even on tight days, found supplies so short on Aug. 17 that technicians in the power pool near Albany were ready to cut voltage if one more New England nuclear plant shut down.

Little relief is in the offing from new construction, an issue that has assumed political overtones because of the unpopularity of three nuclear power plants. Pilgrim, in Plymouth, Mass., which was closed in 1986 after the emergency shutdown system was activated twice in eight days, remains inoperative because of management problems. Seabrook, in Seabrook, N.H., on the Massachusetts border, is not yet licensed because of safety questions. On Long Island, Shoreham's license has been blocked over evacuation issues.

But during what Mr. Doll called the "heat storm," the peak for P.J.M.'s Middle Atlantic network was 40,526 megawatts, up 8 percent, or 3,000 megawatts, from last summer — an amount equal to the capacity of three large nuclear plants. In New England, the peak was nearly 18,100 megawatts; that compares with a previous summer peak of almost 17,100, and a winter peak of 17,500. That rate of increase would require a Seabrook-sized plant every year or two.

Only four reactors are under construction on the East Coast north of Washington; major power plants take 10 to 15 years to build. At \$5 billion or so each for Seabrook and Shoreham, more are hardly practical, some calculate. Charles Komanoff of Komanoff Energy Associates, a private consulting firm in New York, asserts that Seabrook, built to be competitive when oil was at \$12 a barrel, would save money for customers of its main owner, Public Service Company of New Hampshire, only if oil rises from its current price of \$18 to about \$130 a barrel.

A spokesman for Public Service, John B. Cavanagh, said that the company has promised to absorb a portion of the excess cost of the reactor. He added, "It's absurd, really, to consider increasing our dependence on oil." Seabrook's owners also say that they did not set out to build a \$5 billion reactor, but each time they reconsidered the project they decided completing it was more economical than abandoning it, because they underestimated the remaining cost.

Some answers that all parties seem to agree on are more conservation, the development of additional, smaller power sources and, as far as possible, importing more supplies from Hydro-Quebec in Canada. But New Hampshire's Consumer Advocate has complained that the Public Service Company, Seabrook's biggest owner, is trying to turn away private producers who want to generate 1,600 megawatts of power at the relatively low rate of 9 cents a kilowatt-hour, because, it says, it is not in the best interests of customers.

For Public Service and the others, this season's crunch is probably past. In New England, however, maintenance teams are getting ready for the winter's probable new record.

Coal

America's Own Arabia

IF supply were all, coal would be king. By most calculations, enough coal runs in seams beneath the land to last the United States for the next 400 years, at current rates of consumption. Coal now provides the country with more than 55 percent of its electrical generating power. But the nation's most abundant energy source has also proved one of its dirtiest. Sulfur and other emissions were a source of controversy and regulation for more than a decade before acid rain became a national issue.

The coal industry tries mightily to keep on the books laws designed to inhibit production and use of other fuels. At the same time, it advances proposals to promote coal use by ending moratoriums on the leasing of Federally owned land, making it easier to build coal slurry pipelines, and providing subsidies for converting coal to methanol and other alternative fuels. Proponents argue that such development is in the national interest, and the more coal that is dug, the cheaper it is. Opponents call that false economy, saying it is too expensive to burn more coal cleanly enough to prevent acid rain.

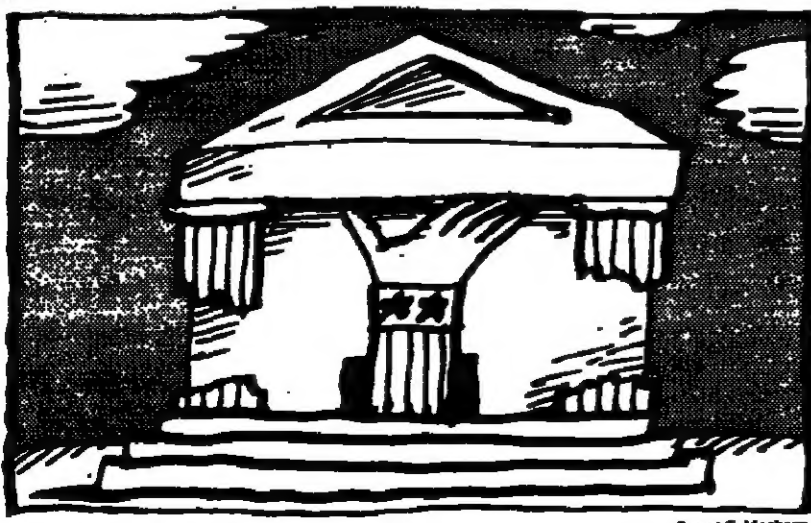
As industry and government researchers work on cleaning up coal — Washington is providing \$750 million for studies — measures to control emissions are now before Congress. They include such steps as the installation of so-called tall stacks on coal-burning plants; utilities have said, however, that the changes could mean a 25 percent rate increase.

\$1 Billion Rescue Federal Help Averts Fall of A Texas Bank

In the early 1980's, Houston's First Bancorporation was an engine of the boom in Texas, aggressively lending money to oil concerns and investing heavily in the real estate market.

Last week, the Federal Deposit Insurance Corporation stepped in to prevent the collapse of the bank, pledging nearly \$1 billion in aid. When the deal is formally completed, the company would be turned over to an investor group that will try to raise \$500 million more.

With the rescue, second only to the bailout in 1984 of Continental Illinois National Bank of Chicago, First Bancorporation becomes the last of Houston's big bank holding companies to lose its autonomy in the wake of Texas's depression. Yet while investors or out-of-state banks moved in to take over the other companies in the last year, First Bancorpora-



tion was considered too risky an investment without Federal help.

Although some experts saw the rescue of the bank as a symbol of Texas's deepening troubles — the same was said of former Gov. John B. Connally — others were optimistic, saying that the worst has passed. That was the view expressed by A. Robert Aboud, the former chairman of the First Chicago Corpora-

tion, who will head the Houston bank under the terms set by the F.D.I.C. "I think there are already signs of a turnaround," he said. Officials said the package is not a bailout because the bank will be turned over to investors and current stockholders will be left with only a minuscule stake in the restructured organization. Money for the rescue will come from premiums paid by the F.D.I.C.'s member banks.

In the Race

Jesse Jackson's 'Four-R' Plan

The Rev. Jesse Jackson, announcing his candidacy for the Democratic Presidential nomination last week — no great surprise — stressed themes that one of his aides said would make him a "message candidate" in 1988.

His message, delivered on Labor Day on a hillside overlooking Pittsburgh, was economic revival.

"We must have the four R's," he said. "Reinvest in America; retrain our workers; re-industrialize our nation, and research for commercial development."

Mr. Jackson said he chose Pittsburgh because it symbolized the kind of coalition he is trying to build. Among other groups, he is hoping to reach white workers who have been left behind in the transition from steel and other heavy industry to high technology.

According to public opinion polls, the 45-year-old Mr. Jackson is ahead of the seven other Democrats who have already announced or who are



The Rev. Jesse Jackson

considering the race.

Meanwhile, the former front-runner, Gary Hart, last week apologized to his supporters. In an interview on ABC's "Nightline," he said he took "total responsibility" for the behavior — an association with Donna Rice, a model — that led to the collapse of his campaign last May.

Marshall's Ire

A Justice v. The President

Justice Thurgood Marshall, the first black to sit on the United States Supreme Court, has become the first sitting member in recent memory to criticize a President still in office. In terms of civil rights, he said last week, President Reagan is at "the bottom" of United States Presidents.

"Honestly, I think he's down with Hoover and that group. Wilson. When we really didn't have a chance," he said, referring to blacks. In a television interview with the newspaper columnist Carl T. Rowan, Justice Marshall also criticized the records of Presidents Roosevelt, Eisenhower and Kennedy, while praising those of Presidents Truman and Johnson.

"If the United States is indeed the great melting pot, the Negro either didn't get in the pot or he didn't get melted down," he said.

A White House spokesman, Martin Fitzwater, responding to the criticism, said Mr. Reagan's civil rights record has been "outstanding."

For Marc Chagall, An End to Artistic Exile

Arts & Leisure

The painter's work was back in bulk in the show at Moscow's Pushkin Museum marking his centenary.

By JOHN RUSSELL

MOSCOW In the first week of September the bloom went off the Moscow summer, and in the streets adjacent to the Pushkin Museum amber lamplight shone behind tall windows set in pale yellow facades. The morning was dark and dank, but people were standing five and six abreast in a line that snaked around the museum for 100 yards and more. In an exhibition mounted in short order to mark the centenary of his birth, Marc Chagall's work was back in town and in bulk after many, many years, and no one in Moscow was put off by the weather.

Once inside, Soviet visitors wheeled this way and that in wordless absorption, leaving it to a large foreign contingent to cackle the hours away. With 254 items — paintings, etchings and lithographs — in the catalogue, there was a lot to take in. Many of Chagall's early paintings had a di-

rect, factual, unsentimental quality that came across to the visitor in a candid, unmediated way. Here and there, there was fantasy. A little town in nowhere became the locus of mysterious, implausible and unprecedented goings-on. But, even then, Chagall dished up the facts of provincial life in a way that is still valid today. Chagall, a native of Vitebsk, went to Paris in 1911, returned to Russia soon after the outbreak of World War I and remained there through the first years of the Revolution. Despite his initial readiness to help build a new society, he was disenchanted by the experience and left the Soviet Union permanently for the West in 1922.

Thanks to careful editing, the exhibition contained very few of the paintings in which Chagall sometimes let sweet sentiment carry him away. The 51 etchings made in Paris for Gogol's novel "Dead Souls," dated 1923-27, make an exhibition in themselves, with the kind of bite, snap and precision that calls for long and close looking. In the coverage of the period from 1906 to 1922 there was a memorably strong, lean and unacknowledged contribution from Soviet sources, both public and private.

First mooted in 1973, the exhibition had the support of Chagall's second wife, Vava, and of his daughter by his first marriage, Ida. (Both of them live in France.) Thanks to the informed and effective enthusiasm of Irina Antonova, the director of the Pushkin Museum, and to rapid and extensive fieldwork by the poet Andrei Voznesensky, the exhibition was

put together in a spirit of jubilation — though not, it may be surmised, without opposition from some who thought that the Soviet Union would have done better to leave the century unmarked.

Some 50 paintings, most of them from the artist's later years, were lent by Vava Chagall, and a smaller but especially cogent group was lent by Ida Chagall. Everything else in the show, including the entire graphic representation, came from Soviet sources. At a rough count, nearly 30 paintings of real importance, dated between 1906 and 1925, had been lent not only by the Tretyakov Gallery in Moscow and the Russian Museum in Leningrad but by museums in Pskov, Bialystok, Yerevan and elsewhere, not to mention the private collectors whose continued existence often surprises the foreign visitor.

Without having seen the large and all-but-monochromatic "Self-Portrait with Muse" of 1917-18, lent from the Gorkyeva collection in Leningrad, we cannot truly estimate either the enduring impact of Paris upon Chagall before 1914 or the agility with which he could depart entirely from the idioms that we recognize as Chagalque. Even the gamut of tone, which went from white through gray to palest moon-blue, has no equivalent in Chagall's work.

As for the Tretyakov Gallery's "Wedding" of 1918, it too could be called a revisionist masterpiece. It is painted almost entirely in blacks and whites — black suit for the bridegroom, white dress and white veil for

the bride, black house and black fence to keep them private and snug, black-suited Jewish fiddler somewhere way up at the back. Inside the house, we glimpse a table set for feasting, and down from the sky there swoops a guardian angel with big cherry-red wings to bless the union. This painting alone would have made Chagall's reputation.

We realize, without being told, that "Wedding" draws upon his experience of Vitebsk. He knew all the shortcomings of his native town. "A place apart from all others," he once called it. "A singular, unhappy and tedious town. There were synagogues by the dozen — no, by the hundred. Also butchers' shops, and passers-by." He had grown up in Vitebsk at a time when to be a Jew there was to be a tethered man, with none of the mobility, social and geographical, that was the birthright of the European gentile before 1914.

The Jew in Vitebsk lived in a society that denied him certain fundamental rights. Chagall dealt with that in his art by posing a state of affairs in which the Jew had supernatural powers. Imagination was his revenge. He could float high and free above the rooftops with his beloved in his arms. He could cross the town — or (why not?) the whole world — in one colossal stride. And he could make life dance to the tunes that he drew from his green violin. In all this, he held tight to the objective realities of life in Vitebsk, as if by doing so he could remake them for the better.

In many another country, such a painter would be honored in such a town. Streets would be named after him, and schools, and hotels, and above all a museum. But it emerged during work on the Chagall centenary exhibition in Moscow that nothing of the kind was likely to happen in Vitebsk. Speeches were made in Byelorussia, and articles written and published, to protest the identification of Vitebsk with someone who was both a Jew and a Zionist. Chagall may have been back at home in Moscow, but Vitebsk wanted no part of him.

Perhaps it should be said that if Chagall left Russia in 1922 and never returned, except for a brief private visit in 1973, it was not because he was expelled, as was because he realized that although he had been willing



Vava Chagall, the painter's widow, and Andrei Voznesensky

to pitch in and help to build a new society, both his fellow artists and the theater directors with whom he had hoped to work made it clear that they would just as soon see the back of him. And if his work, though carefully preserved in Soviet museums, was rarely if ever seen in their galleries, it was because it was thought to be effete, backward-looking, sometimes mystical and too often concerned with specifically Jewish subject matter. To overcome this long and loathsome tradition and get so large a show hung in Moscow in Chagall's centenary year was as much a political achievement as an aesthetic one.

The noble colonnaded spaces of the Pushkin Museum were most handsomely and variously filled. The case for the late work of Chagall, was put, with particular eloquence, in paint-

ings like "Jacob's Ladder" and "Cows Over Vitebsk." These might have been no more than recycling of themes first mooted 50 or 60 years earlier, and Chagall might have looked like a man killed by adulation. But there was in their execution a firm and weighty quality that showed them to have been thought out afresh. They were luxurious, but of flabbiness there was not a trace. At the opening ceremonies the applause was loud and long both for Vava Chagall and for Andrei Voznesensky, but the true hero of the day was Chagall himself, who did not have to dream of levitating above the rooftops of the Pushkin Museum but would have been welcome to make it inside, through the big front door and up the red carpet installed for the occasion. □

Peter Pan's Dark Side

Michael Jackson suggests that avoiding reality and remaining a child is a viable option.

By STEPHEN HOLDEN

From Elvis Presley to Michael Jackson: In the space of a month, the two most enigmatic icons of modern American pop have spawned back-to-back media frenzies that have an eerie symmetry.

Early August saw the further dedication of Elvis Presley on the 10th anniversary of his death. The man who brought aggressive sexuality to the center of popular music was remembered as an unofficial American

In it Mr. Jackson portrays a refined prep-school student, returning on a vacation from New England to his New York ghetto neighborhood. Arriving at his tenement home, he finds his old teen-age buddies lounging on the building's front steps. After they challenge him to prove that he is still "bad," he agrees to participate in a subway robbery. But at the very last minute, he foils the assault on an old man, and turns on the gang, shouting rhetorical questions about good and evil and the meaning of the word "bad."

During the harangue, the black-and-white film turns to color, and the deserted subway station becomes the set for a rainbow-hued, singing-and-dancing extravaganza in which Mr. Jackson triumphantly struts his loose-limbed prowess as a theatrical rock hooper. Then, in a final tense moment, we're back in black-and-white hell, as Mr. Jackson faces the gang leader eye to eye. Will they fight? No, it turns out. They solemnly shake hands. Good has triumphed over bad. While this mini-movie is a techni-

the new album, the big question being asked by the music industry is whether the record can possibly exceed the popularity of "Thriller," the best-selling record in history, with sales of 20 million copies in America and 38 million worldwide. By all accounts, Mr. Jackson is more obsessed than anyone with topping his own world record and dreams of selling 100 million copies of "Bad."

But unless Mr. Jackson's freakish new image proves irresistibly fascinating, "Bad" seems unlikely to match, or even approach, the sales performance of "Thriller." One of the most innovative pop albums of modern times, "Thriller" summed up a moment in American pop cultural history when music videos were young and the science-fiction and horror movie cycles that inspired his videos hadn't run out of steam.

"Thriller" was a pop-music answer to movie myths like "E.T." and the "Star Wars" trilogy, offering romance and chills to kids of all ages. The songs on "Bad" break no new ground either stylistically or in their subject matter. The record lacks anything as snazzily audacious as "Billie Jean."

On the positive side, the album sounds like the \$2 million it cost to make. Quincy Jones's richly dimensional production helps to turn songs with fragmentary, undistinguished lyrics into miniature soundtracks. And Mr. Jackson's ballads, "I Just Can't Stop Loving You" and "Libertine Girl," are gorgeously sung and recorded reveries. On the up-tempo songs, the gasping choked-up intensity of Mr. Jackson's acrobatic vocals, which leap, skid and pirouette with a dynamism that matches his dancing, infuses even the most banal lyrics with a charge of high Hollywood drama.

Having crafted a disturbing, otherworldly image that is more memorable than the peace-and-love pieties he dispenses, Mr. Jackson is gambling that in today's pop climate, a performer's personal iconographic power can give his nursery-rhyme sentiments the resonance of Scripture. But what Mr. Jackson conveys through his image is pretty forbidding, since the distinctions of sex, age and race — three of the principal obsessions of pop music — are all obliterated.

Posing as a benign, alien star-child stranded somewhere between Disneyland and the astral home of "E.T.," he seems to want to demonstrate that spiritual salvation can only be attained by willfully evading reality and remaining a child. What a profoundly pessimistic message! For his self-transformation into a cartoonlike character of his own invention represents a rejection of the very humanity he has sought to help and enlighten through songs like "We Are the World" and "Bad."

What we are left with is a staggeringly talented, terror-struck symbol of our collective longing for an occult solution to human suffering. As Elvis Presley's role of "King" eclipsed his vitality as an entertainer, Michael Jackson has already begun to disappear into his role of pop's surrogate savior. If we think good thoughts and wish upon the stars hard enough, he would lead us to believe, maybe an extraterrestrial playmate will arrive in time to save us. □



The star—a talented, terror-struck symbol of our collective longing

monarch, our one and only show-business "King," who died of his own earthly excesses. No sooner had his commemoration ended than the drums started beating for the reappearance of Michael Jackson, the delicate, androgynous man-child whose mystique revolves around a transcendence of the body. If Elvis Presley was modern pop's symbolic king, Michael Jackson is surely its symbolic "savior," an ascetic angel-sprite to whom Elizabeth Taylor, E.T. and Jesus seem to represent equally divine ideals.

"Bad" is Mr. Jackson's first album in nearly five years, and Martin Scorsese directed the music video of the title song. In this 20-minute mini-movie, the first of the album's several music videos, the star imperiously rebuffs the glorification of outlaw behavior by black inner-city youth. Filmed mostly in black and white, with gritty streetwise dialogue by Richard Price and direction by Mr. Scorsese that reprises the mood of "Mean Streets," this video is heavily tinged with the star's disturbing mixture of messianic pretension, rampant paranoia and narcissism.

cally much-improved variation of "Beat It," the landmark music video from his 1982 megahit album "Thriller," in which Mr. Jackson's spiritual powers and kinetic energy transform a gang war into a dance. Mr. Jackson's demeanor in "Bad" is disquietingly, sadly bizarre. Even the song has a masochistic undertone, as the singer implores, "If you don't like what I'm sayin' / Then won't you slap my face?"

The dark side of Mr. Jackson's Peter Pan image is a self-flagellating, sullenly martyred outsider. In the years since "Thriller," the star has surgically altered his appearance to produce this image. He has added an odd little cleft to his chin and made his lips thinner, desensualizing his features and blurring his racial heritage. In the "Bad" video, his skin has taken on an unnaturally ashen hue, and his heavy eye makeup and designer outfit of studded black leather present jarringly mixed messages. Capping the confusion is Mr. Jackson's speaking voice, which even at its most forceful sounds like a wounded whimper.

Amid all the hoopla surrounding

Constitutional

BY JOHN DREYER/Puzzles Edited by Eugene T. Maleska

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ANSWER TO PREVIOUS PUZZLE

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The New York Times

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Judge Bork Comes to Judgment

Of course the Senate should scrutinize the views of Judge Robert Bork, President Reagan's nominee for the Supreme Court. The Administration's pious protests aside, that would not inject politics into the judicial process. Politics is already there — put there by the Constitution, which says appointments shall be made "by and with the Advice and Consent of the Senate."

What the Senate will have to decide, starting with hearings this week, is not whether politics is involved, but which kind, high or low.

Vehement advocates on both sides are already heating up the battle. Some opponents fear how a Justice Bork might rule on a specific issue like abortion rights. That's an understandable, but narrow, standard of judgment. Others fear that his appointment would plunge the Supreme Court seasaw hard to the right. That's surely a proper consideration, at some point.

Before reaching it, however, the senators must find out who Robert Bork is, what he thinks the Court's job is and whether that's the kind of Supreme Court the Senate believes in.

There's a vast written record to explore. Over three decades — as an articulate and combative Yale professor, Justice Department lawyer, private practitioner and ambitious appellate judge — Judge Bork has fashioned an elaborate, coherent theory about the Court's place in modern society. That role can be briefly described: much smaller, especially concerning individual rights.

Those writings helped Judge Bork persuade the Administration that he was Ronald Reagan's kind of judge. To win confirmation, he must persuade the Senate that his views are not as stark as those same writings suggest. The Administration already labors to show that he is not a right-wing radical but a moderate conservative in the tradition of the admired Justice Lewis Powell, whom he would replace.

Yet the written record summons Judge Bork to answer many concerns. One involves his views of liberty and privacy. The Senate may not properly ask how the nominee would vote in a specific case. Yet it would be reasonable to ask, for example, why

he feels that the 1973 abortion decision was not simply wrong but "unconstitutional" — indeed, was "a serious and wholly unjustifiable usurpation of state legislative authority." The Senate must ask itself, if not the nominee, does such urgent sentiment mean he would vote to overrule the 1973 decision, reviving state-by-state agitation?

Judge Bork has objected heatedly to the Court's 1965 decision striking down a Connecticut law against contraception. By the same logic, does he think that a state may compel contraception? In the current climate of AIDS hysteria, that is more than a far-fetched hypothesis. Is there more to his judicial agenda? He has suggested that dozens of precedents need correction. When an interviewer asked whether he could identify any Supreme Court doctrines that deserved reconsideration, he replied, "Yes I can, but I won't."

Other questions need study. Americans have long venerated the doctrine of Justices Holmes and Brandeis that strong, even offensive language is constitutionally protected unless it poses imminent danger. In 1979, Mr. Bork found "a terrifying frivolity in Holmes's statement" about a free marketplace of ideas and complained that the doctrine had "a strange solicitude for subversive speech."

Over the years, Judge Bork has vehemently opposed a Federal law desegregating lunch counters. He has resisted interpretations finding support for equal rights for women in the Constitution and what has opposed the Equal Rights Amendment. What view of these rights does he hold today and how long has he held them?

As Acting Attorney General in 1973 he dismissed the Watergate prosecutor Archibald Cox on orders from President Nixon. Does he still hold that the President had the right to issue that order, however illicit the purpose? Is his vision of executive power still so reverent?

Judge Bork, a man of learning and sophistication, may respond candidly to these concerns, and the record, already mountainous, won't be complete until he does. Nor will it be complete until opponents and other witnesses have spoken and the nominee has a chance to respond. Whether Robert Bork deserves confirmation may depend on how plausibly he can explain that record.

Free the Aviation Billions

Stung by charges that she has mismanaged the nation's air transportation system, Secretary of Transportation Elizabeth Dole blames Congress. It is responsible for the unspent \$5.6 billion in the Aviation Trust Fund, she says, and thus for increased congestion and delay.

Mrs. Dole is partly right. But so are her critics. The nation's interest lies less in refereeing the dispute than in clarifying how the trust fund is to be used and using it. The best way would be to move the fund entirely out of the Federal budget.

About \$3 billion a year collected through an 8 percent tax on airline tickets and other aviation consumption feeds the trust fund, which is sequestered by law for use in the nation's aviation system. Most of the money goes for capital purposes — equipment and facilities; airport construction and improvement; research and development. But the fund also pays for nearly half the Federal Aviation Administration's operating budget.

Despite the restrictions, however, Congress still must appropriate money from the fund each year, just as it does the Government's other funds, and the appropriation counts in the general deficit accounting. Mrs. Dole says Congress has appropriated less than the Administration has requested and less

than the law authorizes for equipment and facilities. This has triggered a penalty provision designed to assure that the fund is used mostly for capital expenses as opposed to operations. For every dollar that capital spending falls below authorized levels, the F.A.A. loses two trust fund dollars for operations and must draw on the general Treasury.

Congressional spokesmen, Democratic and Republican, reply that Mrs. Dole's charge of underfunding ignores the realities of the appropriations process. The President can get away with offering a budget that gives nothing for some functions and fully funds others, like the F.A.A. But politically, Congress could not pass a budget that didn't give something to each function, even if that means funds for all fall short.

It is absurd that an issue of such importance to so many should come down to a debate over the arcane of Federal budgeting. Setting up a trust fund but leaving it subject to annual appropriation invites confusion, abuse and backbiting. The Aviation Trust Fund ought to be taken entirely out of the budget, perhaps put in a new quasi-governmental agency. That would finally let the nation's travelers buy the air transportation system they thought they had been paying for.

Taiwan: Two No's and a Maybe

For years, Taiwan has responded to any whiff of cooperation with China with three absolutes: no contacts, no negotiations and no compromise. One "no" has now softened. The Taiwan Government says it might allow its citizens to visit ancestral villages on the mainland.

Why the movement after none for so long? Partly because of China: As Beijing gains stature, it becomes harder to ignore. But Taiwan is changing, too. Political reforms that ended martial law earlier this summer are proceeding, and opposition groups are playing a growing role.

Loosening the no-contacts rule would allow reunions among family members separated for more than 25 years. As trade between Taiwan and China (through Hong Kong) totals \$955 million a year, softening the three no's will also move rhetoric nearer reality.

'Or in Any Way Destroyed'

An original copy of Magna Carta will be displayed in Philadelphia for the bicentennial of a distant relative. It has been a long trip through history.

Magna Carta was forced on England's abusive King John in 1215 by rebellious barons demanding guaranteed liberties and the rule of law. Copies affixed with the royal seal were distributed from Runnymede, where the King and his barons made their contract, to the cathedrals of the kingdom. This particular copy went to Lincoln Cathedral, where it remained, and has been to America several times. It was on display at the New York World's Fair in 1939 when World War II broke out, and spent the war years in the safety of Fort Knox.

It is a stained square parchment, about the size of a woman's kerchief, inscribed in unreadable Latin. But its significance leaps out in translation. For example: "No free man shall be taken, imprisoned . . . or in any way de-

Topics of The Times

stroyed . . . except by the lawful judgment of his equals or by the law of the land."

The words echoed down through history, into the Fifth Amendment's guarantee that "no person shall . . . be deprived of life, liberty, or property, without due process of law. . . ." As Americans celebrate the 200th anniversary of their constitutional roots this week, they may observe that the

Constitution itself had roots: in a freshly mowed field at Runnymede, one day in June, seven centuries ago.

Long Run at OTB

Harry McCabe, who just retired as president of New York City's Offtrack Betting Corporation, looks like Subby Kaye preparing to sing "Fugue for Timbarns," that salute to the endless confidence of horse players.

A career civil servant for 40 years, he was dispatched in 1970 from the city's budget office to help set up OTB. As a government enterprise devoted to encouraging and then profiting from human weakness, OTB is questionable. But if there is to be such an agency, it should be well run. For the last five years, as chairman and president, Mr. McCabe has run it well indeed.

During his tenure, the race tracks finally agreed to simulcasting of their races in OTB offices. OTB opened restaurant parlors to attract affluent bettors. The number of betting offices was cut from 148 to 109, saving manpower. After six years of steadily falling city profits, fiscal 1987 produced an \$8 million increase over 1986.

As Mr. McCabe left office, questions were raised about connections between members of his family and OTB's longstanding advertising agency. The facts, it turned out, had long been registered with the state's Racing and Wagering Board, or had been judged insignificant. If the city is to attract 40-year civil servants capable of Mr. McCabe's loyalty and skill, it's important to distinguish between shadow and substance in their performance. His record of achievement constitutes substance.

Letters

Casey's Role in Shaping the Data

To the Editor:

Your Aug. 31 front-page story on the alleged distortion of national intelligence to fit the political preferences of William J. Casey as Director of Central Intelligence Agency is not supported by my experience as head of the National Intelligence Council.

From July 1981 through August 1983 I oversaw the production of national intelligence estimates. During this period I cannot recall a single instance of improper pressure to make the news fit Mr. Casey's — or the Administration's — positions, and there were instances when discomforting assessments were reported.

You give two such examples, an estimate on Lebanon and analyses on arms control. Even more striking was an early estimate, approved by Mr. Casey, that assessed the prospects for the contras as unpromising. This resulted in a member of Congress claiming that "even the director says that the policy he supports is failing." That was an unsolicited testimonial to objectivity in evaluation.

You did not properly convey the nature of such estimates or the way the intelligence process works. Estimates are not supposed to, and usually do not, present a consensus of views held in the intelligence community; a consensus would have the edges smoothed off sharply different views. The value of such products is mainly in discussion of issues from various angles, citing especially pertinent data. Alternative views are often presented to the reader.

In any case, the intelligence community has much diversity. Most of

those who sit at the table to pass on national estimates or who provide intelligence data to their principals in the Departments of State, Defense and elsewhere do not work for the Director of Central Intelligence. If they don't like his position on an issue, they have many means of making their views known inside the Government.

Finally, a C.I.A. director is not supposed to be an intellectual enmesh. You mention controversy over the Soviet role in supporting terrorism. This subject illustrates the difficulties inherent in intelligence. No informed person could reasonably hold this role to be zero; also much terrorism is clearly independent of Soviet influence. There is a large gray area between, and different analysts have different interpretations of the degree of Soviet involvement.

Bill Casey felt, not unreasonably, that the Soviet role had been underestimated; some others, by no means all, disagreed. Should a director refrain from pursuing such important matters when his judgment tells him that the product could be better? I think not.

The director is supposed to keep personal preferences from warping intelligence judgments. No one is perfect, but my testimony is that Bill Casey succeeded pretty well during those years.

HENRY S. ROWEN

Stanford, Calif., Sept. 1, 1987

The writer is Edward B. Rust Professor at the Stanford Graduate School of Business and a Senior Fellow at the Hoover Institution.

Ask the Incarcerated About Death Penalty

To the Editor:

As an ex-Federal prisoner released only 10 months ago, I must respond to Tom Wicker (column, Sept. 7) and Arthur Dobrin (letter, Sept. 1) on the death penalty issue. Though it may be a weak proposition among the electorate, it is much kinder than a sentence of 25 years in prison.

Instead of asking the electorate about capital punishment, it may be wise to question those to whom it applies — the lawbreakers themselves. Many death-row inmates might well choose death in lieu of a mandatory 25-year sentence in a very savage world. Simply because they litigate against the death penalty doesn't mean they prefer 25 years of fear instead. Witness the high rate of prison suicide or attempted suicide.

If society really believes in torturing the convicted for a quarter-century instead of providing a way to their everlasting peace, then society needs to be mentally examined; that kind of sympathy for the incarcerated is indeed perverse.

HANK BRIDY

Brooklyn, Sept. 8, 1987

Cooking for Others the Old Testament Way



To the Editor:

"The Tennessee challenge," you write of last year's textbook lawsuit involving parents and Good and Beautiful (editorial, Aug. 26), "came from Christian fundamentalists whose literal reading of the Bible impels them to see godlessness in most of the grade school texts. They saw a reversal of divinely authorized sex roles in

Why Trade Deficits Are Good for Us

To the Editor:

Jeff Faux's history of economic thought professor ought to be sued for malpractice ("Here Lies Free Trade. R.I.P.," Op-Ed, Aug. 31). The most important point the classical economists, particularly Adam Smith, made was not that trade deficits would disappear in the face of unfavorable exchange rates, but that trade deficits were not detrimental to the wealth of a nation.

Smith and others were refuting the mercantilist fallacy, which Mr. Faux still holds, that money (gold at the time) is preferred to goods, and therefore trade surpluses are good and trade deficits are bad. The classicals were successful in refuting this, and nothing in either our recent or more distant past has remotely suggested they were wrong.

In the last four years of trade deficits, job creation rates have been high, unemployment rates falling, inflation has been low, and economic growth rates have been good. As a point of history, no correlation has been shown between bad economic times and trade deficits. The correlation may be in the other direction — note the trade surpluses of the Great Depression.

This is consistent with classical free-trade theory. Mr. Faux bases his argument on the assumption that deficits are harmful, an assumption he simply asserts — maybe because the evidence is not there.

ROY E. CORDATO

Washington, Sept. 1, 1987

The writer is an economist at the Institute for Research on the Economics of Taxation.

Chicanery in Campaign for a Convention

To the Editor:

Your Aug. 18 editorial on the folly of calling a new constitutional convention is very welcome. In the last seven years, only two states have passed a call for a constitutional convention for a balanced budget amendment: Alaska in 1982 and Missouri in 1983.

But in the last seven years at least five states have voted down a call for a constitutional convention after spirited debate: Michigan, Connecticut, Maine, Kentucky and Montana. Several others have defeated a convention resolution by not letting it come to a vote. It is obvious that there is no general public support for a constitutional convention.

In the absence of public demand, advocates of a convention have resorted to a remarkable piece of legislative chicanery: to compel the calling of one anyway. The constitutional convention implementation bill in Congress prescribes a limit of seven years during which state resolutions calling for a particular constitution convention can be validly passed — but would give the current series of constitutional convention resolutions the special privilege of 16 years.

This attempts to "grandfather in" all the old, stale calls for a constitutional convention for a balanced budget amendment, going back to the first ones in 1975, and prop them up on an artificial life-support system until 1991, while an attempt is made to round up two additional states.

This is the type of playing games with the Constitution we suffered with the time extension of three years and three months voted by Congress for an equal rights amendment. It is a subterfuge to avoid complying with the need for a contemporaneous consensus. It is an attempt to lock in state resolutions passed 10 years earlier, while exerting political and financial pressure on two or three targeted states to achieve the necessary number of resolutions.

The same people who are trying to initiate a constitutional convention by tricking us about the rules for calling one are trying to assure us that such a convention would be harmless because it would be limited to considering a balanced budget amendment. Their assurances do not inspire confidence.

PHYLLIS SCHLAFLY

Alton, Ill., Aug. 24, 1987

Eisenhower Understood About Guns and Butter

To the Editor:

The United States, justifying boycott of a United Nations conference on disarmament and third-world development by declaring them "separate and unrelated goals" (news story, Aug. 26), is contradicted by Dwight D. Eisenhower's warning of April 16, 1953, before the American Society of Newspaper Editors:

"Every gun that is made, every warship launched, every rocket fired signifies, in the final sense, a theft from those who hunger and are not fed, those who are cold and are not clothed. This world in arms is not spending money alone. It is spending the sweat of its laborers, the genius of its scientists, the hopes of its children. . . . This is not a way of life at all in any sense. Under the cloud of threatening war, it is humanity hanging from a cross of iron."

The nations are spending almost \$1 trillion a year on destructive weapons — more than \$1.8 million every

minute, day and night; the cost of one Trident submarine would pay for immunization and basic health care for all the needy children of the world.

Our Government might correct its tragically myopic vision by following relief and development workers from our voluntary agencies into the struggling countries of Africa, Latin America and Asia. And the next time an F-18 fighter zooms overhead while yet another child in the developing world dies of measles, we hope someone in power remembers that like had it right!

NORMAN E. BARTH

New York, Aug. 28, 1987

The writer is executive director of Lutheran World Relief.

What Glasnost Means In Soviet Society

To the Editor:

How hard it is to get glasnost right! Dennis Kimmage demonstrates this in the confusing observation with which he ends his otherwise excellent letter (Aug. 30) about the daylong marches on Aug. 3 in Leningrad by groups of neglected Soviet veterans of the Afghanistan war. This public demonstration was not covered by the Soviet papers or television, as Mr. Kimmage correctly notes, but it is misleading for him to go on to say that such reporting is beyond "what glasnost is all about."

One might think the cause of the forgotten soldiers is without important publicity in the Soviet Union. On the contrary, Pravda for Aug. 5, for instance, prints and analyzes extensively a reader's criticism of what is termed stingy scraps of unrealism in press coverage of Afghanistan.

The forceful and graphic story goes on to relate that returning veterans are not provided promptly with the benefits due them of housing, therapy, etc.; that the individual war dead are considered too common to be worth a special story; that soldiers are buried at funerals where no public officials appear; that graves are given markers with no mention of the loss in battle, making it possible to conclude, the grieving father writer laments, that the young man was killed in a drunken brawl.

Is not the openness of that kind of account glasnost with a depth of significance exceeding the missing reports that Mr. Kimmage looked for? It is important for us to keep abreast of such actual nuances of change in the Soviet Union, for if we can justly charge our Soviet opponents with rewriting the history of the past, we must for our part strive conscientiously to avoid rewriting the history of the present.

EDWIN H. RUTKOWSKI

Binghamton, N.Y., Aug. 30, 1987

The writer is an associate professor of political science at the State University of Binghamton campus.

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ABROAD AT HOME
Anthony LewisWhat
Is at
Stake

From the moment President Reagan nominated Robert Bork to the Supreme Court, conservatives made him a hero: a judge who would bring our society back to the straight and narrow. Some liberals, reacting as instantly, painted him as a devil.

The reality is more complicated. Judge Bork is a man of intellect and eloquence; in an often humdrum legal world he is never boring. But his very intensity — his single-minded search for an ideological lodestone in the law — is alarming.

Emphasis on ideology in the confirmation process for Supreme Court justices makes me uneasy. It tends to reduce the difficult role of a constitutional judge to crude politics. But when a President undertakes to reshape the Supreme Court and the Constitution, and does so openly, the Senate owes him no automatic deference. It owes the country concern for the institution of the Court.

Moreover, there is no way to avoid noticing Judge Bork's constitutional ideology. He has made a point of it for nearly 20 years, attacking hallowed precedents and the work of revered judges: Holmes and Brandeis, Frankfurter and Harlan. President Reagan's effort to picture him as a "mainstream" legal figure, a judge in the Frankfurter tradition, is simply absurd. Indeed, it is an insult to Robert Bork.

The extremity of Judge Bork's views is made clear by his disagreement with much of what the Supreme Court has done. A startling example is his criticism of a 1942 decision striking down an Oklahoma law that required certain repeat criminal offenders to be sterilized. Every member of the Court, across a wide ideological spectrum from Justices William O. Douglas and Hugo Black to Robert H. Jackson and Felix Frankfurter, found that law unconstitutional.

The reason for Judge Bork's disagreement with that and many other decisions is that they required the

Judge Bork's
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Court to give concrete meaning to the Constitution's spacious guarantees of "liberty" and "equal protection of the laws." He argues that the task is impossible and should be abandoned.

Reading what Judge Bork has written, one senses a man trying to impose a formula, a doctrine that will make the judge's job easy. That is the opposite of the judicial life that a Felix Frankfurter or John Harlan or Lewis Powell led. They struggled, they bled to define and protect what Justice Powell called "liberties deeply rooted in this Nation's history and tradition."

In 1957 Justice Frankfurter had before him the case of a lecturer who had been found in contempt of a New Hampshire legislative investigation for refusing to answer questions about Communism and the Progressive Party. No specific words in the Constitution gave an easy answer, but that did not deter Justice Frankfurter's sense of his duty.

"The right of a citizen to political privacy," he wrote, is one of the fundamentals within the "liberty" protected by the 14th Amendment. The state can invade it only for "compelling" reasons, and there were none here.

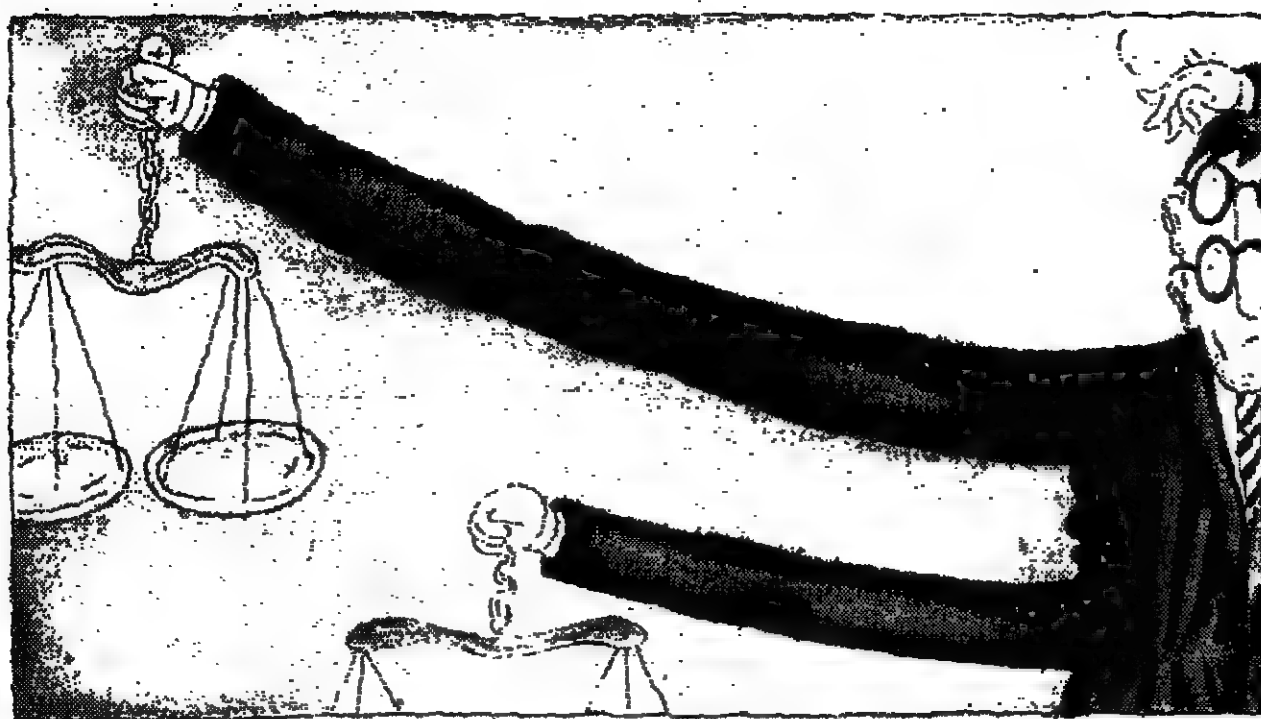
"To be sure," Frankfurter said, "this is a conclusion based on a judicial judgment" — but it was the "inescapable" duty of judges to give meaning to the Constitution. "Such a judgment must be arrived at in a spirit of humility. . . . But in the end judgment cannot be escaped — the judgment of this Court."

There could hardly be a greater contrast in Judge Bork's approach — or the result. For his view would give us a shrunken, impoverished version of the Constitution's protections of individual rights. Under the banner of literalism and "original intention," he would greatly increase the state's power over us.

Strangely, his literalism stops when it comes to official power. He is expansive in finding reasons why Presidents can do what they want. He is narrowly restrictive in defining who may go into court to challenge executive power.

Does it matter? I think it matters profoundly. If Judge Bork's declared views had been the law of the Constitution over the last 50 years, this would be a different country: less confident, less free.

There have always been those who doubted the legitimacy of the Supreme Court's role in enforcing the Constitution. I think that role has contributed much to what we love in this country. It has given hope to the powerless; it has nurtured faith in the American system. Our system would be fundamentally changed by a pinched view of the Court and the Constitution.



Loop-hole Mentalities

By Robert B. Reich

CAMBRIDGE, Mass. — "You know the rule: no sugary snacks before dinner."

"But Daddy," my son said plaintively, chocolate all over his face, "it wasn't a snack. It was just a few cookies. It wasn't sugary. The package said it was natural. And, besides, I didn't eat them before dinner. It's 5 o'clock and dinner isn't till half-past 6." Since then, the family snack rule has become more specific.

When the spirit of the law is disregarded, the letter of the law expands until it claims attention.

In coming months, the same drama will be played out on a larger stage. Investigations into wrongdoing at the highest levels of American business and government will be turned over to prosecutors and defense attorneys, who will argue over narrow definitions, while Congress will try to prevent recurrences by enacting ever more detailed constraints.

Regardless of who wins in the courts, we all will lose. When the law degenerates into cat-and-mouse games of discovering and closing ambiguities, it loses its moral force, without which no set of detailed prescriptions can ever be detailed enough.

The cumulative effect is to loosen the bonds of mutual trust and responsibility on which a free society depends. And this exacts a real cost from all of us, as our society becomes as rule-bound as a potted plant no longer able to grow.

A coterie of Wall Street bankers and their friends now stands accused of insider trading. The first of their cases comes up before the United States Supreme Court this term.

The Securities and Exchange Commission, charged with enforcing the law, has always defined insider trading broadly as a type of fraud. But in response to elaborate arguments by the bankers, there has been pressure on the S.E.C. to be far more explicit.

So it's recommending to Congress a

The '88 Campaign
Made Very Easy

By Robert Bendiner

Niggling critics complain that television still doesn't give enough attention to the real issues of the day, but no longer is there honest ground for that sort of carping. In between their regular programs, some 140 outlets of the Association of Independent Television Stations provide a one-minute feature that thoughtfully takes care of the problem.

In these reflective inserts, a pair of Congressmen are given close to 30 seconds each to come to grips with such issues as "Should Congress fund the Nicaraguan Contras?" and "Do we need stricter trade laws?"

The originator of this valuable service concedes that "you can't exhaust an issue" in the 30 seconds each speaker gets to dig into the subject (some time has to come out of the minute for a brief word from the sponsor). But a speaker, he says, can

Candidates
tell all — in
30 seconds.

always make a point. Since one debater's point may have nothing to do with the point chosen by his opponent — no time for rebuttals — there need not even be an actual meeting of the speakers, much less of their minds.

A great deal may be said for this discussion format in an era when wisdom is spread by bumper stickers. The 60-second debate could lead the way to the two-hour Presidential campaign. On the first Monday in November, the nominees could each rattle off 10 points on 10 different issues. At half a minute per issue, that runs to 50 minutes — only an

Robert Bendiner was for many years a member of the Editorial Board of The New York Times.

new law barring the use of insider information if "it has been obtained by, or as a result of, or its use would constitute, theft, bribery, misrepresentation, or espionage through electronic or other means, or a breach of duty to maintain such information in confidence or to refrain from purchasing, selling or causing the purchase or sale of, the security, which duty arises from any fiduciary, contractual, employment, personal or other relationship with..." and so on, for five turgid pages.

Securities lawyers think this clarifies and closes loopholes in the old standard, and thus will be easier for the S.E.C. to enforce. Maybe. But there was never any doubt about the purpose of the former law: to make sure that no one profits from informa-

What about
the spirit of
the law?

tion unavailable to the public, lest investors eschew a market that seems rigged. And the bulwarks thrown up in the new version will pose little challenge to defense attorneys skilled in the art of legal circumnavigation.

A gaggle of former Presidential assistants now stands accused of using public office for personal gain. The Ethics in Government Act of 1978 — itself a post-Watergate effort to render explicit what had always been understood as inappropriate conduct — bars former officials from lobbying their old offices within a year of leaving them, especially on matters that were pending when they left.

But one of the accused — a former White House deputy chief of staff — says the law doesn't apply to what he did. He had a right to lobby the Office of Management and Budget on behalf of a private client as soon as he departed his office, he claims, since O.M.B. is not technically part of the White House, where he worked.

Another recently indicted White House aide argues that he did no

wrong even in lobbying the White House, since the White House isn't a place where matters are ever "pending" anyway; it's where they're decided. In response, Congress is now trying to tighten the lobbying law, no doubt rendering it as convoluted and picaresque as the S.E.C.'s proposed ban on insider trading.

A band of high-level military officers is suspected of having violated several laws in funneling money to the Contras. In late 1985, Congress expressly barred "any agency or entity of the United States involved in intelligence activities" from doing so. (This law, by the way, was an effort to close loopholes in earlier laws intended to stop military aid to the Contras.)

But the officers, who were then staff members of the National Security Council, now argue that the N.S.C. is an advisory body to the President, not an intelligence agency, and thus was not included in the ban. Next time, Congress will be sure to close this loophole.

The solution is not to be found in more niggling rules, which even a small boy intent on chocolate cookies can elude. It lies in a society that focuses on why laws are enacted rather than how they are phrased, and thus demands adherence to the law's purposes as well as to its literal constraints.

Fines or imprisonments, or even impeachments, are appropriately reserved for those who transgress the letter of the law. Those who violate its spirit deserve a less official but no less sure form of punishment: They should stand disgraced in the court of public opinion.

ESSAY | William Safire

In Re: Bork Witch Hunt

Judge Robert Bork, a jurist of uncommon intellect and strong views about judicial restraint, has become the target of ideologies and pressure groups out to besmear his character and distort his record.

We had clear evidence of that witch hunt in the vote of the committee of the American Bar Association that presumes to judge potential judges. By its own rules, that group professes not to take politics into its considerations; 10 members, of various political persuasions, gave Judge Bork the highest rating.

A minority of four, however, rated him "not qualified." Since his professional qualifications are beyond dispute — law professor, sitting appellate judge, legal scholar — that means the minority would have had to challenge Judge Bork on his temperament or personal integrity.

Which is what the gang of four did. They cloaked their disagreement with Judge Bork's philosophy in an objection to his temperament: they labeled as intemperate what they considered his lack of open-mindedness and compassion, and claimed to see ill temper in the vigor of Judge Bork's published writings that dared

A dishonest
dissent on the
A.B.A. panel.

to criticize received wisdom. To impugn his integrity, they professed to discover a "lack of candor" in his past testimony about the "Saturday night massacre."

But the pure-left makeup of the anti-Bork minority tells the story: one is a Carter U.N. appointee now working in Philadelphia on "Plagiarizing Joe" Biden's Presidential campaign; another is a member of Mayor Tom Bradley's Los Angeles inner circle; a third is a Washingtonian who represented the Carter-Mondale ticket, and the fourth a civil rights activist in Chicago. They joined a witch hunt directed at damaging the reputation of a member of their profession to try to block a nominee whose philosophy differed from theirs.

Jerking their chains is an assortment of groups now seeking to persuade the Senate to assert a new ideological criterion in the confirmation of Supreme Court nominees. That would diminish the ability of voters to affect the makeup of the Court by vot-

ing for a President who promises to appoint like-minded judges.

I'm not knocking those who say that the Senate should break tradition and share the power to change the Court's direction. They are entitled to argue for that sea change — provided they are prepared to live with the consequences of that change when we have a conservative Senate and a liberal President.

But there is something both elitist and underhanded about disguising that new political criterion by trying to portray Judge Bork as an insensitive, intrusive, lying ogre. In the hearings this week, such devices will backfire. He is not a man about to turn back the clock; I know him as the sort who is reluctant to reset his watch when daylight saving ends.

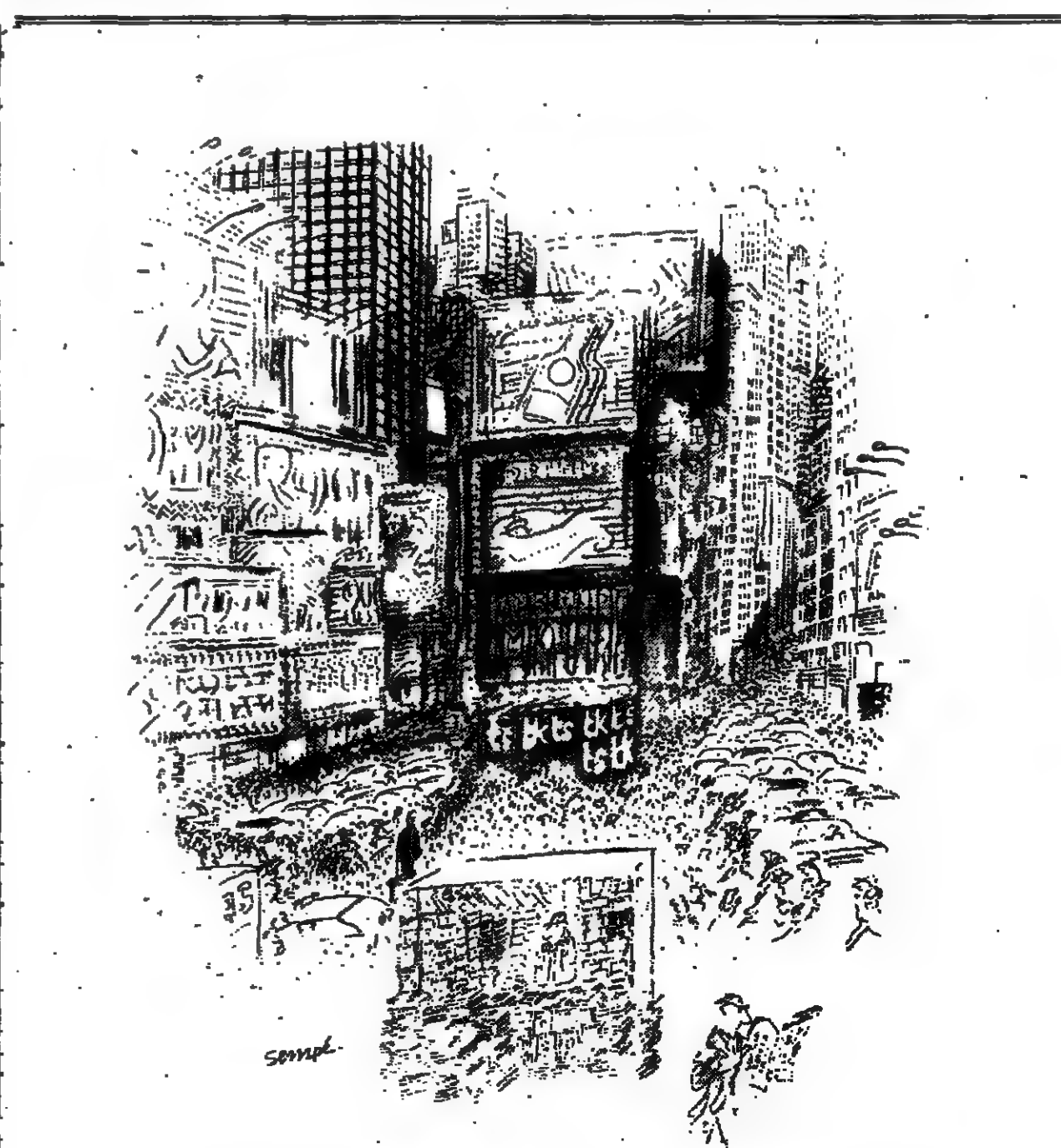
The central issue is not the qualifications or temperament of Robert Bork; he is better equipped for the high Court than anybody now on it.

The issue underlying these hearings is the ability of the people to affect the Court. The majority of voters prefers that accountable legislators, rather than unaccountable judges, make the laws. For example, I'm a privacy nut; if privacy is to be protected, let us stop appealing to judges to create new law; instead, we should elect lawmakers who will pass laws preventing government or anybody from intruding on our minds, bodies, offices and homes.

If Judge Bork is turned down, President Reagan is unlikely to roll over. He will appoint other conservatives, less brilliant and outspoken and less open to intellectual debate, until one of them is confirmed. Eventually one will be approved, because of some special circumstance of region, religion, race, sex or previous servitude — or when the public becomes angry at unrelenting ideological obstructionism and when senators up for election remember Birch Bayh.

The White House chief of staff, Howard Baker, who still returns calls despite a few zaps in this space, says he is "reasonably confident" the Senate will make its judgment on the traditional basis to consent to a qualified man. When that happens, we will have a better Court — and liberals will retain the opportunity to change its political complexion at the next Presidential election.

Much depends on the ability of one man to defend himself from a witch hunt in the crucible of a televised hearing. Meanwhile, Judge Bork must espouse the doctrine of judicial restraint, eschew promissory advisory opinions — and also persuade the lawmakers to respect the tradition of senatorial restraint. That's a big job, but Robert Bork is a big man.

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These times demand The Times.

The New York Times

Israel's Tangle of Farm Troubles

Heavy debt and lower inflation have farmers feeling like dying chickens.

By THOMAS L. FRIEDMAN

THE joke among Israeli farmers runs like this: A farmer goes to his rabbi and says, "Rabbi, I have a terrible problem, my chickens are dying. What should I do?"

"Feed them rice," says the rabbi. A few weeks later the farmer returns and says, "Rabbi, my chickens are still dying. What should I do?"

"Feed them potatoes," says the rabbi.

"Ideas? I've got plenty of ideas," says the rabbi. "But do you have more chickens?"

As Israeli farmers see it, the Israeli Government and banks are the rabbi, freely dispensing advice and then watching — albeit with some pain — while more farmers collapse in debt. Israel is now suffering through a farm crisis so complicated and enormous it would make Iowa stand up and take notice. Only a large-scale Government bailout will solve it.

The crisis is partly the result of Israel's attempt to buck the worldwide trend to larger farms and fewer farmers and partly the result of some colossal mismanagement by farmers, bankers and the government. It is also a classic example of how economic problems that are masked by a prolonged period of high inflation — when it doesn't matter if a business makes a profit, only how it manages money — become starkly apparent when an economy stabilizes.

"There is going to be a revolution in agriculture here," said Shimon Ravid, an official of the Histadrut labor union who is an expert on the crisis. "Ten years from now there will be a totally different map to this country."

At the center of the revolution are the semi-cooperative moshav farmers, who account for almost half of the country's annual agricultural production of \$2.2 billion. The 27,000 families living on the 420 semi-cooperative moshav farms are intertwined in a \$1.2 billion tangle of debts that would make the Gordian knot look like a bow tie. About half the debt was run up in the last two-and-a-half years.

Three different groups supply Israel's agricultural production. Private farmers, both Arabs and Jews, account for about 10 percent. Another 40 percent comes from the 280 socialist kibbutz farms whose members share fields, homes and income.

The kibbutz way of life was not for everyone, so in the early 20th century a group of more capitalist-minded kibbutzniks broke off and started the moshav system. In most moshavs, each family has its own house and a three- or four-acre plot, which it farms for its own profit or loss.

But moshav members are united as a co-op for buying supplies, marketing products, providing community services — and raising capital from the banks. Under this system, every family guarantees the debts of all other moshav families and every moshav guarantees the debts of all other moshavs in its regional group.

These mutual guarantees are the key to understanding the current crisis, which traces its roots to the mid-1970's, when the global trend toward large mechanized farms with relatively few farmers began to pose a serious dilemma for Israel.

ISRAEL'S founders had always viewed agriculture as a way of life, not just a means of living. The notion of creating a "new Jewish man" by taking people out of the ghetto and putting them to work on the land was deeply embedded in the ethos of Zionism. At the same time, the Zionists needed self-sustaining agricultural communities to secure their hold on the land and to distribute immigrants around the country.

So the Government did all it could, through subsidies and cheap financing, to increase output from small plots to make it feasible for as many Israelis as possible to stay in agriculture — in an age when technological advances were making small-time



Ra'anana Naim, a leader of the moshav semi-cooperative farm movement, at a vineyard in Ramot Naftali, above. In August, angry farmers protested government economic policy at a demonstration in Galilee, below.



farming a dwindling occupation. The kibbutzim adjusted easily to the new age. They had large consolidated fields and could build businesses to absorb workers no longer needed on the farm. "In America, people moved from the farm to the city, but here we could not afford that," said Mr. Ravid. "So what the kibbutz did was move the city to the farm."

The moshavs, however, failed to make the transition — because of internal problems and some financial mismanagement.

The internal problems grew out of the fact that few moshavs had the

capital or the cohesion to start and run their own businesses, which put even more pressure on them to produce income from their small plots of land.

The pressure built in the 1970's and 1980's, when the children of many moshav founders came of age and wanted to work in town but live near their parents in the attractive rural setting. This gradually weakened the co-op. It meant that some moshavniks were farmers needing regular bank financing and some were non-farmers who worked outside — but everyone was still responsible for everyone else's debts.

The financial mismanagement grew out of another development. Over the years, groups of moshavs had banded together to form regional co-ops, whose original purpose was to provide marketing facilities, cold storage and slaughter houses for 30

or 40 moshavs. But the banks gradually preferred to lend to regional co-ops, because of their size. The regionals would then re-lend to individual moshavniks, who were to pay off the loans out of their farm production.

The problem was that many regional co-ops were loosely managed: They passed out money without collateral and for almost any purpose. Not all of this easy money went into tractors and seed — as can be seen by the big American-style suburban houses and pools at many moshavs.

The regional co-ops, encouraged by the Government, also started borrowing to expand their economic enterprises and to pack their staffs. The banks lent to them freely — assuming, Mr. Ravid and others say, that if they got into trouble the Government would bail them out.

"The regional co-ops became a monster," said Ra'anana Naim, a leading member of the moshav movement from Ramot Naftali here in northern Israel. "They lost touch with what they were created for and overtook their creators."

Moreover, in the late 1970's, when inflation was rampant and loans were not indexed to inflation, many moshav farmers borrowed short term as much as they could and let inflation pay their debts. Even when short-term loans were indexed in the early 1980's, inflation moved so fast that real rates were often only 2 or 3 percent. "Buy a herd and pay it off with a calf," was a popular slogan.

Then came July 1, 1985. After a decade of high inflation, the Israeli Government introduced draconian economic measures that froze wages and prices. Inflation succumbed, plummeting overnight to 2 percent a month from 20 percent.

Suddenly, the moshav farmers who had borrowed freely at rates of 15 or 20 percent a month when prices of their chickens or apples were rising at least as rapidly were stuck paying off loans at those rates with their crop prices frozen. Welcome to the world of 500 percent real interest rates.

Many moshavniks saw their misery as the main victims of the austerity plan. But Bank of Israel governor Michael Bruno argued: "The economic stabilization program unearthened economic problems, but did not cause them. What the moshav crisis demonstrates is that once you stabilize, you reveal structural problems."

The total moshav debt, a manageable \$600 million on July 1, 1985, almost doubled in a year. Since many farmers could not make payments on time, interest piled up on interest; the \$1.2 billion debt is now rising by about \$850,000 every 24 hours.

Many regional co-ops defaulted, and the banks called on their member moshavs to honor the mutual guarantees and pay up. Then, said Gedalya Gal, secretary general of the moshav movement, "it

didn't matter whether your moshav was healthy, which many were, or sick; everyone was tied to everyone else's debts."

As that became clear, things started to get ugly. "It was everyone to his own tent," said Mr. Naim. "People started asking: 'Why should I be responsible for the parasites? Why should I pay for others' mistakes?'"

Mr. Naim's tightly run Moshav Ramot Naftali had not engaged in the festival of speculative borrowing and loose management. "Today, we don't want anything from the Government but to be left alone," he said. "All we ask is that they take our names off the loans of others. The regional co-op owes us \$300,000. If we see 60 percent of that we will feel lucky."

If they see 1 percent they will be lucky. Israel is not Iowa; the Government and the banks do not have the stomach for farm auctions. So in October 1986 the Government appointed Mr. Ravid to prepare a rescue plan with the banks and the moshavs.

The Ravid Report, presented in February and still being debated, called for a combination of measures. The banks would have to write off about \$100 million of the \$1.2 billion in moshav debt and reschedule the rest — with the help of Government guarantees — at a reasonable rate.

THE roughly 2,700 families — 10 percent of all moshavniks — considered to be hopelessly indebted would give up their land and water rights in return for having their debt wiped out. Their fields would be divided up among other moshav members, who would assume additional responsibility for paying debts. As for the regional co-ops, they would go back to selling seeds and marketing and get out of the financing business. And mutual guarantees between moshav members, if they exist at all, would be highly restrictive.

The challenge now, said Mr. Gal of the moshav movement, is to "untie all the knots, and to save those moshavs like Ramot Naftali that are basically healthy once they are freed of the debts of others."

Mr. Ravid argues that the moshav system itself still has underlying strengths. "When you think that only 10 percent of the people could not pay their debts, which doubled in two years, I don't think that you can speak of the failure of a system," he said. Still, he predicts that when and if the current problems are resolved, there will probably be only 100 classic moshavs left 10 years from now, out of the current 420. The others will turn into villages, with a few people farming large consolidated tracts and all the others working in the city.

That is already happening. When Sergio and Judy Ogorinsky moved into Moshav Kochav 14 years ago it was a classic moshav, complete with subsidized grocery store, communal swimming pool and mutual guarantees. But over the years the moshav sank deep into debt, largely because the Government urged it to build a plastics factory. No one knew how to manage the plant and it wound up manufacturing only debt.

Today, Moshav Kochav is just a pleasant rural neighborhood. "When we came here 14 years ago the moshav secretary would sit down with you and plan all your crops," said Mrs. Ogorinsky. "Now everyone lives for himself. If you use the pool, you pay for it. The store is no longer subsidized, and if you need a loan you have to go to the bank yourself."

Financially speaking, said Mrs. Ogorinsky, the present system is more rational since it encourages individual responsibility. "The moshav is a beautiful way of life," she said. "It was just mishandled. Maybe once the crisis is over it will be stronger, but I don't know who is going to foot the bill for the mistakes."

It will probably be the Government and the banks. As concerned as they are about maintaining their way of life, the moshavniks are now in such deep and intertwined debt that many of them cannot even relate to it anymore. Now it's the banks' problem — a situation, said a leading Israeli agronomist, best summed up by another old joke.

Yankel is tossing and turning in bed one night. His wife finally asks, "Yankel, what is the problem?" "I owe Moishe money," he says. "And I can't sleep worrying about it." So Yankel's wife gets out of bed, calls Moishe and tells him that Yankel cannot pay him the money he owes. "There," she says, putting down the phone. "Now you can go to sleep. Moishe is the one worrying."

The Economy

WEEK IN BUSINESS

The F.D.I.C. Rides To Aid Texas Bank

The F.D.I.C. rescued First City Bancorporation, Texas's fourth-largest bank, in a \$970 million rescue second only to that of Continental Illinois. The big Texas bank had been floundering in a sea of bad loans to the energy and real-estate sectors, both of which have served Texas well in the past but have been albatrosses in recent years. First City is to be taken over by a group of investors led by A. Robert Abboud, whose maverick policies have gotten him kicked out of Occidental Petroleum and First Chicago, whose neighbor, Continental Illinois, was rescued in 1984. Mr. Abboud said his plan to turn First City around includes aggressive lending, including to some of the same segments that brought the bank down.

The bailout of First City, which has assets of about \$12 billion, gave rise to a number of interpretations. To others who have been suffering some of the same agonies, the F.D.I.C. move was a signal that the troubles in Texas were not going unnoticed in Washington, and that other rescues were possible. But others said that it took the failure of a huge bank like First City to open the Federal purse, and that smaller banks could not count on F.D.I.C. assistance. And the move to turn the bank over to an outsider like Mr. Abboud was an indication to others that the F.D.I.C. prefers to rescue a bank and get out, rather than dirty its hands with running it.

The Baby Bells are still limited in what businesses they can enter. A Federal judge said the operating companies can send data over phone lines, but cannot manufacture equipment or provide long-distance service. Those businesses are reserved for Ma Bell, now just plain A.T.&T., which had to give up the local companies in 1984. The judge's ruling was not very surprising, since the original antitrust settlement was intended to keep A.T.&T. and its offspring as far apart competitively as possible.

The merchandise trade gap grew again, to a record \$16.5 billion in July. Many economists had been hoping for an improvement, but exports, which had been rising, dropped a steep 5 percent in July. Oil led the increase in imports, as it has in past months. Prices at the producer level were flat in August, as higher energy prices were offset by lower food and car prices. Most economists expect prices to go back up, ending in the range of 4 percent inflation for the year.

Stocks came back up, but without the wide swings that have characterized trading in the last few weeks. In the four-day trading week, the Dow Jones industrial average gained 47.36, closing at 2,608.74. Bond prices also recovered from their dismal lows, despite a late-week fall in the dollar after the trade figures came out.

Samuel Heyman offered \$2.3 billion for the rest of GAF, the company of which he gained control after a bitter fight several years ago. Mr. Heyman said the group he is leading would be better able to pursue "long-range objectives," including takeovers, if GAF were private.



The S.E.C. charged Allegheny International and three former top executives with failing to disclose that the executives had been given a wide range of fringe benefits that included cases of wine, use of company cars, airplanes and condominiums and club memberships. Allegheny, Graeme K. Hilton, the former president, and Clayton Sweeney, the former chief administrative officer, settled the charges. But Robert J. Buckley, who resigned abruptly as chairman last year, said he would fight.

CBS may sell its records division, one of the more volatile of its core businesses. Sony has made an offer for the division, which it tried unsuccessfully to buy last year. Among the CBS Records artists are Michael Jackson and Bruce Springsteen, both of whom are not right now.

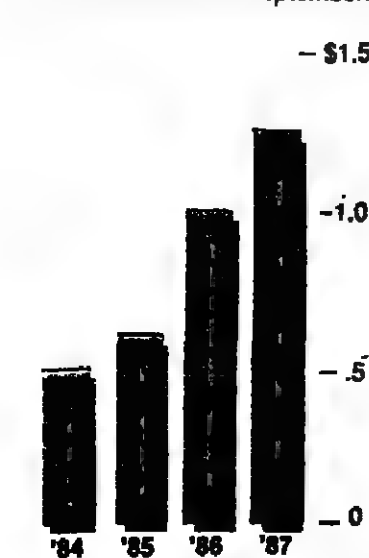
Caesars World took a new tack in its battle against a takeover by Martin T. Sosnoff. The casino and hotel operator said it would buy back up to 31 percent of its stock for up to \$34 a share in cash. Such a plan would keep shares tendered to the company out of the hands of Mr. Sosnoff, and it would load the company with enough debt to make it unattractive. Mr. Sosnoff had withdrawn a \$35 a share bid for Caesars after the company announced a recapitalization plan — a plan rejected by the New Jersey Casino Control Commission — but may revive his bid.

A partial settlement was reached in the default of the Washington Public Power Supply System. The underwriters of the bonds that financed construction of two now-abandoned nuclear power plants agreed to pay the bondholders \$92 million. But other claims remain unsettled.

Miscellaneous. Digital introduced a line of powerful, low-end computers amidst hoopla that included a nine-day trade show and cruises on the Queen Elizabeth 2. Treasury Secretary James A. Baker 3d rejected Brazil's innovative proposal to convert some of its foreign debt into securities. Kirk Kerkorian is buying the Desert Inn and Sands hotels and casinos in Las Vegas.

Moshav Farm Debt...

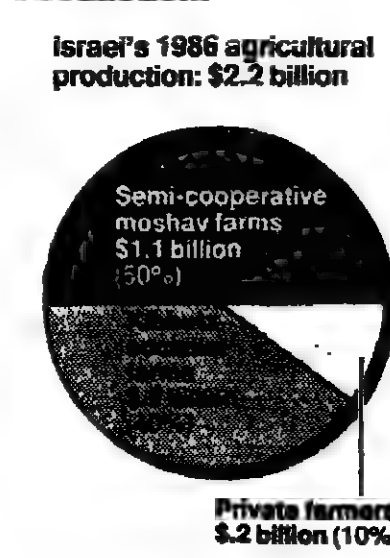
Debt of Israel's semi-cooperative moshav farms, in billions of U.S. dollars. 1987 is as of September.



Source: Histadrut

...Is Now Greater Than Its Agricultural Production.

Israel's 1986 agricultural production: \$2.2 billion



Source: Israeli Central Bureau of Statistics

The New York Stock Exchange

MOST ACTIVE STOCKS

WEEK ENDED SEPTEMBER 11, 1987
(Consolidated)

Company	Sales	Last	Net Chng
Gen El	47,882,900	19%	+ 1/4
AT&T	12,129,100	33	+ 1/4
IBM	10,806,500	161%	+ 3/4
Gen El	9,328,200	61%	+ 1/4
GAF	7,313,400	67%	+12%
Gilete	6,936,100	44%	+ 1/4
E Kodak	6,738,600	101%	+ 6
Phil Mr	6,140,900	117	+ 4%
Nt Semi	5,904,200	17%	+ 1/4
A Exp	5,555,500	37%	+ 1/4
Unilevs	5,332,100	44%	+ 2%
Ames Dp	5,244,200	18%	- 4%
USX	5,226,500	35%	+ 1/4
Allg Pw	5,172,300	37%	- 1/4
Dow Ch	5,117,800	101	+ 6%

MARKET DIARY

Advances	Declines	Total Issues	New Highs	New Lows
517	1,006	2,173	64	158
517	1,446	2,188	108	101

VOLUME

Company	Last	Prev.
Total Sales	785,848,170	31,918,953,338
Same Per. 1986	910,205,180	24,964,343,112

WEEK'S MARKET AVERAGES

Company	High	Low	Last	Chng
New York Stock Exchange	222.0	213.1	222.0	+3.82
Indust	158.0	154.0	158.0	+0.58
Unls	76.0	74.3	76.0	+0.26
Finance	155.5	151.9	155.5	+0.19
Composite	160.1	173.6	180.0	+2.58

Standard & Poor's

Company	Sales	Last	Net Chng
400 Indust	377.0	360.2	377.0 +6.93
20 Transp	257.1	249.3	257.1 +7.72
40 Utils	114.6	111.5	114.6 +3.08
40 Financ	30.4	29.6	30.4 +0.23
500 Stocks	321.9	306.5	321.9 +15.28

Dow Jones

Company	Sales	Last	Net Chng
30 Indust	2825.9	2493.7	2808.7 +47.36
20 Transp	1036.8	1000.2	1032.5 +3.08
15 Utils	201.6	197.0	199.9 +1.60
85 Comb	952.1	911.8	946.6 +11.64

The American Stock Exchange

MOST ACTIVE STOCKS

WEEK ENDED SEPTEMBER 11, 1987
(Consolidated)

Company	Sales	Last	Net Chng
Un Elec	15,842,800	23%	- 1/4
Ohio Ed	15,966,700	21%	- 1/4
AT&T	12,477,300	32%	- 1/4
Nt Semi	12,410,700	16%	+ 1/4
Gen El	11,005,700	53%	- 2%
IBM	10,672,200	160%	- 5%
PSEG	10,558,800	24%	+ 1/4
Nwt M	8,109,100	88%	+ 5%
A Exp	7,194,400	35%	- 1/4
E Kodak	6,021,300	95%	- 3/4
Phil Mr	5,485,300	113%	- 2%

MARKET DIARY

Advances	Declines	Total Issues	New Highs	New Lows
544	1,446	1,274	218	240
544	1,446	1,274	218	240

VOLUME

Company	Last	Prev.
Total Sales	851,696,590	31,153,305,168
Same Per. 1986	659,897,290	23,954,132,332

A case of mental sickness

Asher Felix Landau

In the Supreme Court, sitting as a Court of Civil Appeals before Justice Dov Levin, Justice Gavriel Bach and Justice Shoshana Netanyahu, in the matter of Mazal Carmeli, appellant, versus the State of Israel and others, respondents (C.A.558/84).

THE APPELLANT was confined in a mental hospital for 19 days. She was lured to the hospital by a trick, and although she did not resist forcibly, she was held there against her will.

Section 2 of the Treatment of Mentally Sick Persons Law of 1955 lays down the general rule that a person shall not be admitted to a mental hospital save under a medical certificate.

Under section 3 of the Law, however, a sick person may be admitted by a physician who has found on examination that his admission cannot be delayed, and the appellant was hospitalized under this provision. She was admitted on July 24, 1978.

Under section 9(a) of the Law, the admission must be notified forthwith to the minister of health. In her case, however, this was done only on August 1.

Moreover, under section 7(c) of the Law, where a sick person has been admitted under section 3 against his will, "he shall be discharged if a hospitalization direction is not received within five days from the day on which he is hospitalized."

In the appellant's case, however, the direction was given only on August 13, two days after her discharge, and 14 days after the five-day limit laid down.

The appellant sued in the Magistrates Court for damages on the basis of the civil wrongs of false imprisonment, breach of statutory directions, and negligence.

The magistrate held that, despite the absence of a direction under section 7(c) of the Law, the continuation of her hospitalization after five days was lawful, since she had not expressed active opposition to it. He also held that not only had she suffered no damage, but had actually benefited by her detention in hospital. Moreover, in his view the failure to notify the minister of health and procure a direction under section 7(c) were only formal errors.

For these reasons he dismissed the claim. The appellant appealed to the District Court which, by a majority, dismissed the appeal, and she then appealed to the Supreme Court.

THE FIRST judgment of the Supreme Court was given by Justice Shoshana Netanyahu. It was clear, she said, that the appellant was detained against her will, and that the notice to the minister of health required by section 9(a) was not sent forthwith, but much later. Moreover, it was sent in a form different from that prescribed by the regulations, and did not specify, as was required, whether or not the patient was held against his will. In addition, the hospitalization direction was received after the appellant's discharge.

This state of affairs, she said, was absolutely intolerable. It had been suggested that these were "formal" requirements, while in fact they were substantive legal demands to protect the individual's basic right to freedom.

What could be simpler than to detain a healthy person under section 3 of the Law? Both sections 3

and 7 spoke merely of a "physician", not even a psychiatrist. It was true that section 3 demanded the examination of the detainee, but this was a psychiatric and not a physical examination, where much depended on the medical history related to the examiner. Even the district psychiatrist who gave the direction under section 7(c) could rely on an examination by another doctor who, also need not be a psychiatrist.

Section 3 was designed for emergency cases, which did not include the present instance, and in any event, the appellant was entitled to be discharged after five days in the absence of a direction for hospitalization.

Justice Netanyahu then analysed the facts in the context of the three civil wrongs relied upon by the appellant, and held that each of them had been proved. It was clear that the appellant had been falsely imprisoned, and that the hospital authorities and the district psychiatrist had failed to take the steps prescribed in sections 3 and 7 of the Law. It had also been proved that the authorities had acted negligently, in that there was no proper supervision to ensure that the law was observed.



Indeed, the evidence went much further, for the director of the hospital had testified that to send the appellant to hospital was not the accepted practice nor to send the notice under section 9(a) forthwith. The procedure was to wait some days until a number of such notices had accumulated, with the result that the hospitalization directions were received only a week or two later.

In other words, both the district psychiatrist and the hospital treated the law with contempt, and denied its protection to those unable to defend themselves. And if the district psychiatrist acted thus, why should the hospital act otherwise?

IN REGARD to the civil wrong of false imprisonment, Justice Netanyahu continued, the respondents had relied on section 27 of the Civil Wrongs Ordinance (New Version), under which it is a defence "that the plaintiff was of unsound mind, or was suffering from some infirmity of mind or body, and that the restraint was, or appeared to be, reasonably necessary for his own protection or for that of other persons, and was exercised in good faith and without malice."

It had been argued that since, in the present case, the civil wrong of the breach of statutory directions was based on the identical facts constituting the wrong of false imprisonment, the defence in section 27(3) applied also to the former wrong. After considering Supreme Court precedents, Justice Netanyahu rejected this view.

It had also been contended, said Justice Netanyahu, that the appellant had suffered no damage. It was true that no actual financial loss had been proved, but the very fact of being unlawfully detained in a mental hospital entitled her to general damages.

Justice Netanyahu proposed,

therefore, that the appeal be allowed, and the appellant be awarded damages in the sum of NIS 10,000, together with her disbursements and, in addition, costs in the sum of NIS 10,000, with interest and linkage on all sums according to law.

In conclusion, Justice Netanyahu stressed that seven years ago the Supreme Court had pointed out that the statutory provisions in question were bald and vague, and required amendment and clarification. It had also suggested that the district psychiatrist frame medical-administrative procedures in regard to enforced hospitalization.

Despite this, and similar comments by the state comptroller and various legal writers, not only had nothing at all been done to remedy the position, but contempt for the law, and its implementation, had become the accepted norm. She proposed, therefore, that the legislature consider removing these wide and awesome powers from district psychiatrists, and find more appropriate means to protect the basic liberties of those affected.

JUSTICE GAVRIEL Bach dissented from his colleague. He emphasized that the statutory provisions in question, aimed at preventing the improper or capricious deprivation of a person's freedom, were not to be regarded as formal and bureaucratic. *Prima facie*, therefore, the appellant had been falsely imprisoned.

On the other hand, the defence in section 27(3) of the Civil Wrongs Ordinance had been established in that regard, and in his view it applied equally, in the present case, to the wrong of breach of statutory directions.

The facts relating to both these civil wrongs were, in the present instance, identical, and it was artificial to hold that these same facts did not also afford a defence to the second wrong as well.

In regard to the negligence relied upon by the appellant, Justice Bach was of the opinion that since the district psychiatrist had not himself been cited as a defendant, it was not right to stigmatize him as negligent without his having been heard. In relation to the liability of the State, he held that the evidence relating to the possibilities of supervision over the various procedures was insufficient to hold the State liable for the negligence of its officials.

Justice Bach emphasized that his conclusion did not signify justification of the conduct of those involved in the treatment of the appellant. He fully agreed with the criticism voiced by Justice Netanyahu as to "what should have been done, and should still be done, to ensure compliance with the law in regard to enforced hospitalization."

Justice Bach proposed, therefore, that the appeal be dismissed.

JUSTICE DOV LEVIN agreed with Justice Bach. He also agreed with the criticism levelled by Justice Netanyahu, and her call for immediate action to remedy the situation disclosed in this case.

For the above reasons, the appeal was dismissed, by majority decision, with no order as to costs.

Dan Shefet appeared for the appellant, Moshe Stoyevsky appeared for the State, and Dov Arbel for the other respondents. Judgment given on July 22, 1987.

SHALVA WEIL

Steffi must wait, Martina still rules

NEW YORK (Reuters) - Defending champion Martina Navratilova beat Steffi Graf 7-6, 6-1, on Saturday to win the U.S. Open women's singles championship, her second consecutive Grand Slam title victory over the current world number one.

Navratilova, 30, kept the pressure on the 18-year-old West German throughout the match, constantly rushing the net and hitting to Graf's weaker backhand.

"She's got a great weapon in her forehand, but she's got an attackable weakness in her backhand," Navratilova said after the match. "I knew that she was vulnerable. Pam (Shriver) said she was beatable, Chris (Evatt) said she was beatable after losing to her in Los Angeles. Lori (McNeil) could have beaten her, but she just didn't execute well enough."

Graf, who has won eight titles this year and took the number one ranking from Navratilova last month, beat McNeil on Friday in three sets to reach the final.

Navratilova, who won her fourth U.S. Open title, has said she had some doubts about her ability before winning Wimbledon, but that victory gave her supreme confidence coming into the U.S. Open.

"It wasn't a matter of convincing myself I could win. I knew I could," Navratilova said.

"I've been hitting the ball so well I didn't think I could make enough errors to lose the match," but Navratilova, who won \$250,000, had more than a little help from Graf, who earned \$125,000 as runner-up. "I think everything was not really working the way it usually does. My forehand especially. I was just always hitting it late," said Graf, who committed 31 unforced errors to Navratilova's 13.

Graf, who is still ranked number one in the world despite the loss, is 61-2 in matches this year with her

only losses coming against Navratilova in finals here and at Wimbledon, won the first game of the match and jumped out to a 2-0 lead by breaking Navratilova in the second. But Navratilova, working on Graf's backhand, broke back in the next game.

The games went with serve to an 11-point tie-break, which Navratilova won 7-4. She rushed the net 61 times in the match compared with Graf's 16 approaches.

Time after time Graf hit the net, mostly with her backhand but also at key points with her usually deadly forehand.

"I just concentrated so hard, I was really pumped up in the tiebreaker," Navratilova said. "I knew if I could win it, I could win it."

The tie-break seemed to take the starch out of Graf, who hit three shots into the net and lost the game without taking a point.

By the second game of the second set, Graf was often running around the ball to attack it with her strong forehand. But she still lost her service on yet another backhand into the net.

Earlier in the evening, top seed and defending champion Ivan Lendl continued his recent domination of Jimmy Connors with a 6-4, 6-2, 6-2 victory and rolled into the men's final for the sixth straight year.

Lendl, who has now beaten Connors in their last 14 meetings, was going for his third consecutive U.S. Open singles title last night, when he faced third seed Mats Wilander of Sweden in a rematch of this year's French Open final.

"It's my favourite Grand Slam," Lendl said of the U.S. Open title.

Wilander, the runner-up in Paris, played an almost flawless game from the baseline to beat second-seeded compatriot Stefan Edberg 6-4, 3-6, 6-3, 6-4 in the first semifinal on Saturday.

Connors, the 35-year-old veteran of so many Grand Slam battles, still fights for every point and if desire and crowd support were all that counted in tennis, he would have been an easy straight-set winner.

But the world number one is just too good for Connors now.

The sixth-seeded Connors, a five-time U.S. Open champion, looked strong in the first set as he battled his way to the net and scored with some impressive backhand volleys.

"He wasn't on the top of his game in the beginning... But I just didn't take advantage of it," Connors said.

Connors fought off three set points to hold his serve in the sixth game, pulling to 5-4. But he hit a backhand into the net in the 10th game as Lendl held serve for the set.

In the next two sets Lendl began picking his opponent apart with stingy precision groundstrokes and passing shots.

The top seed rarely left the baseline, but his serve has become such an effective weapon that he controlled virtually all the points off his serve.

BASEBALL

AMERICAN LEAGUE EAST

Team	W	L	Pct.	GB
Toronto	55	35	.611	0
Detroit	54	37	.596	1
Milwaukee	49	43	.530	6 1/2
New York	48	44	.522	7
Boston	47	45	.511	8
Chicago	42	50	.457	13 1/2
Cleveland	34	59	.378	22

WESTERN DIVISION

Team	W	L	Pct.	GB
Minnesota	57	33	.634	0
Los Angeles	52	38	.578	5 1/2
Kansas City	47	43	.522	10
Seattle	47	44	.517	11
San Diego	47	45	.511	12
Chicago	40	51	.442	19 1/2

Saturday's games: Boston 4, Baltimore 3; Cleveland 5, Minnesota 4; Toronto 13, New York 1; Kansas City 16, Oakland 7; Milwaukee 11, Detroit 2; Texas 4, California 3; Seattle 12, Chicago 2.

NATIONAL LEAGUE EAST

Team	W	L	Pct.	GB
St. Louis	57	33	.634	0
Atlanta	50	40	.561	7
Philadelphia	47	43	.522	10
Pittsburgh	47	44	.517	11
Chicago	47	45	.511	12
San Diego	40	51	.442	19 1/2

WESTERN DIVISION

Team	W	L	Pct.	GB
San Francisco	56	34	.620	0
Los Angeles	52	38	.578	4
San Diego	47	43	.522	9
Colorado	47	44	.517	10
Arizona	47	45	.511	11
San Francisco	40	51	.442	19 1/2

Saturday's games: Montreal 7, Chicago 1; St. Louis 8, New York 1; Atlanta 10, Los Angeles 9; (10 innings); San Francisco 7, Cleveland 1; Pittsburgh 12, Philadelphia 4.

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Riklis Classic, the classiest yet

By JACK LEON

TEL AVIV - Five players ranked among the top 50 in the world have signed up for next month's Riklis Israel Tennis Centre Classic at Ramat Hasharon, making this ninth meet in the series, the highest-calibre tournament to date. The Nabisco Grand Prix takes place over the Succot Holidays from October 12 to 17, with a record \$105,000 in prize-money at stake and a purse of \$18,000 for the winner of the singles event.

The five, in order of seeding are Americans Jimmy Connors and Brad Gilbert (respectively 6th and 15th on the ATP computer). Israeli star, Amos Mansdorf (24th). Aaron Krickstein also of the U.S. (31st) and Sweden's Peter Lundgren (47), who in the last few weeks has beaten Wimbledon champion Pat Cash at both Montreal and the U.S. Open and in between, won the Grand Prix event at Rye Brook, New York.

ITC president and Tournament director Ian Froman surprised a press luncheon here yesterday when he announced: "For reasons of his own, Connors requested a wild card special entry for the Riklis Classic when we met at Flushing Meadows, and I naturally granted his request."



IN ISRAEL SOON - Jimmy Connors walks off court with his son Brett David after being beaten in the semi-finals of the U.S. Open by Ivan Lendl on Saturday. (AFP)

The other two wild cards will go to Shlomo Glickstein and Ami Naor. The remaining three seeds in the 32 draw are Todd Witsken (US), Michael Westphal (West Germany) and Stefan Eriksson (Sweden). Apart from Mansdorf, Glickstein is the only other Israeli in the singles main-draw. Froman reported. However, it is hoped that top local juniors Boaz Merenstein and Ravi Widenfeld will be among the qualifiers.

Botham justifies his high price

LONDON (Reuters) - Worcestershire's expensive investment in Ian Botham paid off when they clinched the English Sunday league cricket title with a nine-wicket win over Northamptonshire yesterday.

The England all-rounder was in the thick of the action. He hit a match-winning 61 off 71 balls, took two wickets and ran out Duncan Widd with a brilliant throw. Northamptonshire were dismissed for 166 and Worcestershire hit off the runs with two overs to spare to claim their first major trophy for 13 years and their first league triumph since 1971.

Botham added 108 with Tim Curtis for their fourth successive century opening stand in the competition. Curtis reached 69 not out.

Worcestershire's triumph blocked Nottinghamshire's bid for a County Championship, Nat-West trophy and league treble even though they beat Surrey by three wickets. South African Clive Rice and New Zealanders Richard Hadlee, making their last appearance for Nottinghamshire, had the consolation of steering the county to the runners-up spot. Rice made 25 and Hadlee 16 as Nottinghamshire chased 196.

Gloucestershire finished third by beating Glamorgan by six wickets.

WORLD RECORD - Fatima Aslam of Morocco set a women's world record for the 100m run two miles during a track and field meet at Padua, Italy yesterday.

Aslam was timed in nine minutes, 38.44 seconds, breaking by nearly eight seconds the old mark of 9:46.40 set by Jan Merrill of the U.S. in 1979 by nearly eight seconds.

WOMEN'S HOCKEY - The Dutch women's team completed a national hockey double in London yesterday by beating England 3-1 in a penalty shoot-out at the end of the European Cup final.

Two weeks ago a Netherlands squad inflicted the same fate on England in the corresponding men's final in Moscow.

U.S. COLLEGE FOOTBALL - Notre Dame, evoking the glory of past champions, opened its 100th season on Saturday by beating ninth-ranked Michigan 26-7 while college football's reigning title-holder, Penn State, had a 13-game winning streak halted 24-13 by Alabama.

At Norman, Oklahoma, top-ranked Oklahoma battered North Carolina 28-0 and number 2 Nebraska outscored third-ranked UCLA 45-33 at Lincoln, Nebraska.

In other games involving the top ten, number 4 Auburn smashed Kansas 49-0, number 5 Ohio State beat West Virginia 24-3, number 6 Louisiana State walloped Fullerton State 56-12, number 8 Florida State buried East Carolina 44-3 and number 10 Clemson defeated Virginia Tech 22-10.

Yona Bogale -- an appreciation

YONA BOGALE, who died at his home in Petah Tikva four weeks ago, was a symbol for world Jewry of the pride and dignity of the Ethiopian Jew.

Born in the village of Wolleka in Gondar Province in 1908, Yona spent his childhood herding sheep and tending the fields. But his life was radically changed when he was selected by Dr. Jacques Faitlovitch, a scholar from the Sorbonne in Paris, to study abroad. Yona told me that even before he met Dr. Faitlovitch, he had heard of the "white man" who had taken two other Falashas - Tamrat Emanuel (later an aide to Haile Selassie) and Gete Hermias - to Jerusalem in 1905, and who visited a large number of Falasha villages in the hope of bringing Ethiopian Jews in touch with Western Jewish Orthodoxy.

In 1920 Yona, then 12 years old, and his friend Abraham Abera (Meir) left the village and joined Dr. Faitlovitch in Addis Ababa, whence they made their journey to Jerusalem via Port Said.

In Jerusalem, they stayed in the "Tushia" Orphanage and attended

the Tachkemoni School. In 1924 Yona travelled to Germany and then Switzerland to further his education in Jewish schools. In 1928 he received a grant to study at the Alliance Israelite school in Paris. He continued his education at the University of Heidelberg.

With the news of the Italian invasion of Ethiopia, Yona returned to Ethiopia. The ambivalence he then felt towards his family and people accompanied him the rest of his life. He was of them but not the same as them.

After the war, Yona, with his flair for languages, began to work as chief translator in the Ethiopian Ministry of Education. He remained at the ministry until 1953 when Dr. Faitlovitch managed to persuade him to relinquish his post and teach at a Hebrew school being opened by the Jewish Agency for Ethiopian Jews in Asmara. From that period, Yona Bogale became the undisputed leader of Ethiopian Jewry in the eyes of Israel and world Jewry. And herein lay both his strength and his weakness. For the more projects he undertook the greater he was criticized by his own people.

SHALVA WEIL

In 1953, Yona Bogale selected a group of young people - both male and female - to study at Kfar Batya and return to Ethiopia to teach Hebrew in the villages. He established schools and set up clinics in the villages; and he arranged for agricultural aid to reach his brethren (although the Jews from Tigre Province claimed they were excluded from his plans). Finally, in 1970, he organized an unsuccessful attempt to resettle Jews near the Ethiopian border.

Yona Bogale was not opposed to aliyah. But he wanted to prepare a cultural and societal infrastructure in Israel which would accept the Ethiopian Jews with understanding as full and equal brethren.

In 1979 Yona himself emigrated to Israel. He paved the way for many thousands of Ethiopian Jews to come live in Israel, and it is in great part to his credit that Ethiopian Jewry is today considered part of world Jewry and that at least half of the community has managed to reach its historic homeland.

SHALVA WEIL

THE GREAT JERUSALEM TREASURE HUNT

Play detective in the city of Jerusalem - British Airways, the Jerusalem Hilton and The Jerusalem Post announce the Great Jerusalem Treasure Hunt, a road rally that tests your imagination, knowledge of Jerusalem and your senses of logic and deduction.

- GRAND PRIZE:
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6-month subscription to The Jerusalem Post (or a 6-month extension to your subscription)
- 4th PRIZE:
Free dinner for 2 at the Jerusalem Hilton
- 5th PRIZE:
Free Polaroid Sun 830 camera
- 6th-10th PRIZES:
"Front Page Israel 1932-1987"

Participation fee: NIS 50 per car. Only the first 100 to sign up will participate - don't delay, register today!

All proceeds will be donated to Libi, the Soldiers' Welfare Fund. Date of the Treasure Hunt: Monday, Oct. 12, 1987 (the search will take approx. 4-5 hours). Registration now being accepted (only 100 participants) at the Jerusalem Hilton Cashier's Desk.

(PLEASE NOTE: This road rally is not a timed race; points will be awarded on the basis of correct answers - not on speed.)

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Until gov't wage pact is concluded Bank share talks on hold

By PINHAS LANDAU
The discussions on the future ownership of the main banks have been shelved for the time being and are unlikely to be renewed until after a new public-sector wage agreement has been signed - and possibly not even then.

The *Jerusalem Post* has learned that the main reason for the current hold-up is the Treasury's fear that the Histadrut will seek to trade concessions over wage and employment issues for Treasury agreement to the continued control of Bank Hapoalim.

by the Histadrut's Hevrat Haovdim holding company.

Intensive discussions between the Bank of Israel and Treasury earlier this summer had reached a position of relative consensus. The view that emerged was that the bulk of the bank shares, which are due to be purchased by the government over the next 14 months, should be given equal voting rights and the special shares held by Hevrat Haovdim in Bank Hapoalim and the World Zionist Organization in Bank Leumi should be abolished.

However, the Histadrut is fiercely resisting this idea, and the whole issue has moved to the political level. Finance Minister Moshe Nissim has received the recommendations of the Treasury and central bank but has decided not to move on them at this time.

Well-placed sources told *The Post* that, with time rapidly running out on the bank-share countdown, the government will be forced to address the issue soon. One possibility being mooted is that the government conduct separate negotiations with each of the four big banks involved in the "arrangement" - Hapoalim, Bank Leumi, Israel Discount Bank and United Mizrahi Bank - but no one is venturing a prediction as to their outcome.

Negotiations stalled, but union satisfied

By JEFF BLACK
For The Jerusalem Post
Histadrut leaders yesterday expressed satisfaction at the current results of the public-sector wage negotiations despite the fact that no agreement has yet been reached with the Treasury and no further meetings have so far been scheduled to revive the stalled talks.

Histadrut trade union department head Haim Haberfeld told the labour federation's central committee, "I have not lost hope that an agreement will finally be reached despite all the difficulties. Through our stubbornness we are paving the way to this goal."

Haberfeld and Histadrut Secretary-General Yisrael Kessar noted

that the labour federation had succeeded so far in winning agreement from the government for a one-year deal in place of two and making "exceptional" progress with regard to a shorter working week and reduced hours. The two men also pointed out that the Treasury had retreated from its opposition to an across-the-board wage increase.

Kessar also revealed that the Treasury and Histadrut were in favour of beginning negotiations in January for next year's agreement, which is due to go into effect in April 1988. He stressed that it should not automatically be assumed that next year the unions will want a collective agreement and praised the system under which each individual sector made its own deal.

Continued recovery seen in Zim results

Post Finance Reporter
The half-yearly results of the Zim Navigation Co. are due out shortly, and analysts are expecting them to show the company's recovery gathering steam.

The shares of the Israel Corp., the Shaul Eisenberg-owned parent of Zim, have been rising sharply on the Tel Aviv Stock Exchange in recent days, as investors anticipate another strong showing from Zim.

In 1984, when the crisis at Zim reached its zenith, the Israel Corp. wrote off its investment in the company. But that year turned out to be the nadir of Zim's fortunes. In 1985 the company turned in a net profit of \$18.7 million, after meeting all the interest and capital repayments to its banks on its over \$400m. of debt.

Last year, the net profit doubled to \$38m., while the company's debt burden continued to shrink.

A senior banker recently gloomed out Zim as the foremost recovery story in the economy of the last few years.

"The current management is the best the company has ever had," he said, noting that "the work-force has been trimmed significantly without noise and disruption."

At the same time, Zim has succeeded in maintaining and even expanding its route network. This is the factor, according to the banker, that has kept it afloat while many other major shipping concerns around the world have sunk beneath the waves.

"Zim's world-wide deployment, and especially its 'three-continent line', is its greatest asset, and explains its survival and growth," he said. "The company has paid back over \$30m. in capital alone so far this year to the banks. Even with this heavy schedule of debt repayments, it is in the black. Now, given the progress that has been made, the focus of talks between Zim and its bankers is turning toward the need for long-term planning. It needs finance to re-equip its fleet with more modern ships."

BUSINESS BRIEFS

Interest rate jitters sway shares

Share prices were mixed yesterday, with traders keeping their eyes firmly fixed on shekel interest rates, which rose sharply last week to 20 per cent for "jumbo" deposits.

"Everyone says that the rise is a temporary affair, but meanwhile there is no new money coming into the market to fuel further rises," said one money manager. "There is plenty of money around, the question is which investment vehicle it will be moved to. If interest rates do indeed fall, the tone will probably improve. But if the rise sticks the market will come under pressure."

Most market participants are expecting a rise in the consumer price index for August, to be announced tomorrow, of around 1 per cent. They expect deposit rates to then fall back to around 13 per cent, roughly in line with the inflation rate.

However, projections of a rise of 2-3 per cent for the October index are worrying traders on the Tel Aviv bourse and government officials alike. They are afraid that interest rates will have to go up and stay up for several weeks in order to persuade the investing public to keep its funds in shekel deposits, rather than linked bonds.

THOSE TWO MONTHS from retirement age - currently age 65 for men and 60 for women - should have received a letter recently from the National Insurance Institute (NII), explaining the retiree's pension rights and a pension-application form.

According to the NII, 7,865 letters have so far been sent out as part of what Director-General Mordechai Zippori said was a campaign to improve services. At present, the full pension for a single person is NIS622 and NIS833 for a person with one dependent such as a spouse or child.

A MAJOR HOTEL-REGRADING operation conducted by the Ministry of Tourism with the cooperation and assistance of the Israel Hotels Association is about to be completed.

Several five- and four-star hotels will, as a result of intensive surveys made by Tourism Ministry officials, find themselves down-graded because they do not meet the criteria for hotels of the status they have enjoyed to date.

Hotel owners and managers who wish to appeal their new rating will have 21 days to do so from the time of notification of their new grading. The appeals can be lodged with the special committee appointed by Tourism Minister Avraham Shari. The committee includes people not

affiliated with the hotel industry as well as representatives of the Ministry of Tourism and the IHA.

PLASTIC INDUSTRY EXPORTS are expected to reach around \$180 million this year, according to Industry and Trade Ministry figures released to coincide with today's opening of the industry's fair in Tel Aviv. The total turnover for the plastic industry this year is expected to reach the \$750m. mark.

There are more than 500 plastics factories in the country, 89 of them belonging to kibbutzim, which produce around half of the industry's output.

Iberia results

Iberia Airlines reported a \$5 million profit for the first half of 1987, and the company said it expected to show even better results in the second half, with annualized earnings forecast at \$16m.

In the January-June period, the Spanish airline carried 6.6 million passengers, compared with 6.2 million the same time last year.

CURRENCY MARKETS

The dollar closed higher in volatile trading Friday, set off by the U.S. Commerce Department's announcement that day of a record \$16.47 billion trade deficit for July. Although the figure was in line with market expectations, the U.S. currency was sold heavily after the data were released. The dollar finally found support at the 141-yen and 1.79-Deutschemark levels and then worked its way higher.

The dollar's movements throughout the week reflected the market's changing expectations ahead of the important trade figure. With the U.S. markets closed last Monday for the Labour Day holiday, the real action didn't begin until the next day and then bearishness reigned. The currency's weakness was accompanied by heavy liquidation of U.S.-dollar-bond holdings by foreigners, the Japanese in particular.

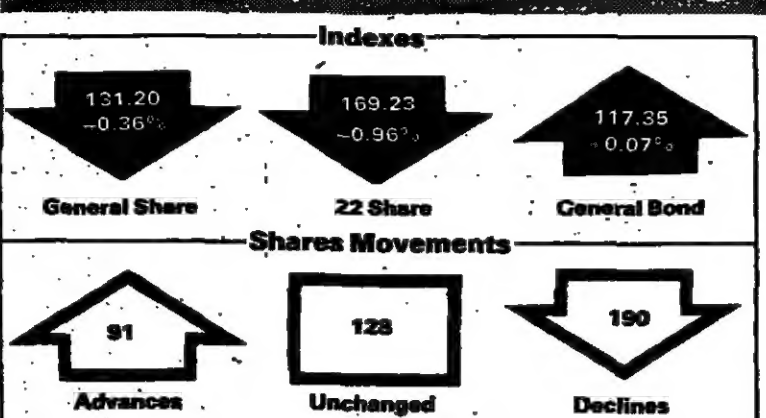
The negative sentiment was dissipated in the following days, however, as central banks intervened to support the dollar and U.S. interest rates moved up. The dollar was also aided by the Japanese August trade figures, which showed a marked decline in the country's trade surplus with the U.S. and convinced the market to reassess the prospects for U.S. trade. With the Japanese surplus narrowing, many analysts are now taking the view that the high U.S. trade gaps for June and July are aberrations, exaggerated by seasonal factors and oil imports.

The market's surprising reaction to the July trade figures indicates an approach-of-climax selling that immediately attracted new buyers. The market behaved as if it had already discounted the worst possible economic situation for the U.S. for the time being and was ready to act contrary on the release of the trade figures.

Under the circumstances, it is safe to expect further dollar-buying today. Those who sold dollars last week should watch their positions cautiously, as they may be forced to liquidate them.

The column appears courtesy of Boaz Barak Advisory Service.

Tel Aviv Stock Exchange



Selected Prices

Name	Price	Volume	% change
Commercial Banks			
Bank of Israel	100.00	100	0.00
Bank Leumi	100.00	100	0.00
Bank Hapoalim	100.00	100	0.00
Bank Mizrahi	100.00	100	0.00
Commercial Banks (cont.)			
Bank Leumi	100.00	100	0.00
Bank Hapoalim	100.00	100	0.00
Bank Mizrahi	100.00	100	0.00
Mortgage Banks & Finance			
Bank Leumi	100.00	100	0.00
Bank Hapoalim	100.00	100	0.00
Bank Mizrahi	100.00	100	0.00
Insurance			
Bank Leumi	100.00	100	0.00
Bank Hapoalim	100.00	100	0.00
Bank Mizrahi	100.00	100	0.00
Real Estate, Building and Agriculture			
Bank Leumi	100.00	100	0.00
Bank Hapoalim	100.00	100	0.00
Bank Mizrahi	100.00	100	0.00
Industrials			
Bank Leumi	100.00	100	0.00
Bank Hapoalim	100.00	100	0.00
Bank Mizrahi	100.00	100	0.00

Name	Price	Volume	% change
Investment Companies			
Bank Leumi	100.00	100	0.00
Bank Hapoalim	100.00	100	0.00
Bank Mizrahi	100.00	100	0.00
Oil Exploration			
Bank Leumi	100.00	100	0.00
Bank Hapoalim	100.00	100	0.00
Bank Mizrahi	100.00	100	0.00

Name	Price	Volume	% change
Real Estate, Building and Agriculture			
Bank Leumi	100.00	100	0.00
Bank Hapoalim	100.00	100	0.00
Bank Mizrahi	100.00	100	0.00
Industrials			
Bank Leumi	100.00	100	0.00
Bank Hapoalim	100.00	100	0.00
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Real Estate, Building and Agriculture			
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Bank Hapoalim	100.00	100	0.00
Bank Mizrahi	100.00	100	0.00
Industrials			
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Bank Mizrahi	100.00	100	0.00

Name	Price	Volume	% change
Real Estate, Building and Agriculture			
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Name	Price	Volume	% change
Real Estate, Building and Agriculture			
Bank Leumi	100.00	100	0.00
Bank Hapoalim	100.00	100	0.00
Bank Mizrahi	100.00	100	0.00
Industrials			
Bank Leumi	100.00	100	0.00
Bank Hapoalim	100.00	100	0.00
Bank Mizrahi	100.00	100	0.00

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Lebanon's latest accord

GRIM is the word for news from Lebanon these days, no matter what the subject. The one-time thriving banker of the Middle East is facing financial ruin. The former model, in Arab terms, of a liberal polity, hardly deserves to be considered a state at all. The writ of what purports to be its government does not run beyond the physical confines of individual ministries. Communications between the nominal capital, Beirut, and southern Lebanon are at the mercy of PLO troops encamped in the Sidon area.

The PLO's armed might in Lebanon was supposed to have been ground to dust in the course of Operation Peace for Galilee, in 1982, and what was left of it in the persons of Yasser Arafat and his lieutenants to have been banished to Tunisia and Yemen. Not quite. After a couple of years in the wilderness the Palestinian terrorists began slowly restoring their military power base in the south, using the surviving refugee camps in the Sidon area for the purpose.

This did not sit well with the Shi'ites, conscious as they had become since Israel's invasion of their rightful but long denied place under their country's sun, particularly in the south where they form the absolute majority.

Under the leadership of Nabih Berri, Beirut's nominal justice minister, Amal, the mainstream Shi'ite organization, set out to prevent the recreation of a repressive PLO state within a state that would again serve as a jumping board for attacks on Israel, with the southern Shi'ites again bearing the brunt of Israeli retaliation.

Palestinian refugee camps in and around Beirut were either razed or badly hit. But in the south the several PLO factions, led but not dominated by Fatah, mostly held their own and even extended their control to a number of strategic hilltops east of Sidon.

Twenty-eight months of fighting between the Shi'ites and the Palestinians resulted in about 1,600 dead but yielded a stalemate.

Last week the two sides reportedly agreed on a truce. The PLO will evacuate the Sidon hilltops, thus removing the threat to coastal road connections with Beirut. Amal, for its part, will allow reconstruction of the Palestinian camps in the Beirut area. Hostages taken during the hostilities will be exchanged.

The agreement is to go into effect early next month. Whether it will or not is naturally moot. Lebanon's 12-year long civil war has been a continuing tale of bloody massacres punctuated by brief truces, and interrupted only by the Israeli operation.

In the meantime, several other interested parties will be asking themselves what this accord, ephemeral as it may turn out to be, bodes for them.

The Syrians, who back Amal up more or less and have a stake in keeping the PLO on a leash, must have an added reason for satisfaction in seeing Hizbullah, a thorn in their side in the Bekaa, isolated. The savagely anti-Israel, terrorist Hizbullah's discomfiture will plainly be in Israel's interest as well.

Such an occasional convergence of interests between Jerusalem and Damascus, strange as it may seem, has been characteristic of the Lebanese scene of late.

It remains to be seen, however, whether the looming reconciliation between Amal and the PLO will not result in a joining of their forces against this country. There is no conclusive proof for it, but the possibility cannot be ruled out that the birth of the accord was hastened by the Air Force's devastating raid on PLO structures in the Sidon area.

The victims of the bombing on Saturday ten days ago included not only Palestinian terrorists along with some women and children. They included a number of Lebanese Shi'ites, too, since an Amal position was also hit, albeit inadvertently.

Such accidents may simply be written off as the unfortunate by-product of the war of deterrence against the PLO and its allies in southern Lebanon. But the same logic surely does not hold if Amal is viewed as a potential linchpin of Israel's security in the north rather than a Hizbullah in disguise.

A foolish law

RIGHT-WING critics of the prime minister, some of them within his own party, are right. The subterfuge of sending his spokesman, Yossi Ahimeir, to MK Charlie Biton's home to find out the precise contents of Yasser Arafat's mysterious "peace proposals" was just that.

Yitzhak Shamir might just as well have been meeting himself with the Hadasah parliamentarian who had ostensibly broken the law by having direct contacts with the PLO chief. If he truly thought Mr. Biton to be a tainted man, he should never have allowed any of his aides to seek the traveller from Geneva out.

The upshot, very simply, is that Mr. Shamir has now legitimized the commission of what he doubtless agrees is a crime under Israel's law: having unauthorized and otherwise unjustified contacts with PLO operatives. He has in effect, and by his own action, termed that particular law an ass.

The underlying assumption of that political law was, that by preventing its citizens from having any real truck with the PLO, this country would be keeping the terrorist organization outside the pale. No sillier idea could have been conceived. It is, apart from being unworkable, a sign of anxiety and fear, a confession of weakness in the face of blandishments by a foe.

Arafat's supposedly new proposals do not amount to any significant revision of his now familiar programme. Mr. Shamir's objection to that programme stems not so much from his firm belief that the PLO is an incurably terrorist-minded gang unalterably committed to Israel's destruction, as prescribed in its infamous Covenant. Rather it derives from the fact that this programme cannot be reconciled with the vision of a Greater Eretz Yisrael.

The same, of course, would also be true of any plan for peace that King Hussein might submit to Mr. Shamir in the direct talks the premier so craves. But it is more convenient to pretend that the true stumbling bloc is the terrorist PLO's demand for a state of their own.

Mr. Shamir is entitled to his pretence. But his authority cannot any longer be invoked to justify the prosecution of Israelis, however misguided they may be thought to have been, who have held a private conversation with Arafat. Although the law bids him initiate stripping the immunity of the four Knesset members, including Mr. Biton, who met with the Fatah leader in Geneva, so that they can be brought to trial along with the other members of the Israeli group at that conclave, Attorney-General Yosef Harish might as well spike any such intention.

Mr. Harish would in fact do well to help engineer a quick windup for the farcical trial of the group, which also included Mr. Biton, that had earlier met with PLO operatives in Budapest. The premier has left him no honest alternative.

'Jordan is Palestine' is no solution either

Susan Hattis Rolef

THE "Jordan is Palestine" committees established in the early '80s around the world open a two-day seminar today at the King Solomon Hotel in Jerusalem.

The "Jordan is Palestine" people's basic premise is that since Transjordan was part of Mandatory Palestine, a Palestinian state exists, and there is no need for an additional state to be established.

The late Yigal Allon put it in the following words: Every people has the right to determine itself - no people has a right to determine itself twice. He added that where a single people did end up having two states in the post Second World War era - as in the cases of Germany, Korea and Vietnam - the arrangement was imposed and artificial one, which did not really resolve the national problem of the peoples concerned and did not bring peace to the world.

A further point made by this group is that in addition to Transjordan having once formed part of Mandatory Palestine, today's demographic reality in Jordan is that a majority of the population are people of Cisjordan origin - some having moved east of the Jordan River before 1948 and the majority during and after the War of Independence. The Transjordanian Bedouin are also ethnically no different from those in Cisjordan.

The Hashemites are in fact the only "foreign" element - from a purely Palestinian point of view - though according to the definitions of the Palestine National Covenant, King Hussein is a Palestinian since he was born in Mandatory Palestine.

Where Allon's views differed from those of the Likud and Tefiya, which have adopted the "Jordan is Palestine" slogan, was his belief that

the Jordanian-Palestinian state, of which he spoke in his plan, should embrace not only Transjordan but the densely populated areas of the West Bank and the Gaza Strip as well.

Thus the difference between the Zionist right and left on this issue is that the former wish to see the border between Jewish and Palestinian state along the Jordan River, while the latter believe the border will have to run further to the west.

The weakness in both of these views is that the Palestinians do not regard Jordan as a Palestinian state, and this primarily because the Hashemite royal house is not perceived as being Palestinian. Many West Bank Palestinians perceive the Hashemite rule until 1967 as having been an occupation, despite the fact that Jordan annexed the West Bank in 1950. They still recall the general curfew imposed in many West Bank towns just before the Six Day War, and other hardships of Hashemite rule. They are ambivalent about exchanging the Israeli occupation, which though unpleasant has known rules including the option of appeal to the Israeli High Court of Justice, with a Jordanian occupation which because of the absolutist nature of the Hashemite regime would undoubtedly be less enlightened.

West Bank Palestinians who are hostile to the Hashemites are sceptical when confronted with the scenario of 1. Israel handing over most of the West Bank and Gaza Strip to Hussein (simply because no Israeli government would ever hand them

over, if at all, to anyone but Hussein), and 2. the Palestinians eventually ousting the Hashemites and taking over the state. Their scepticism stems from their not wanting to experience Jordanian occupation again, and their uncertainty that the Palestinians will have the power to oust the Hashemites.

When West Bank Palestinians who are partial to the Hashemites are confronted with the same scenario, they reject it out of hand for the reasons given by Sari Nusseibeh of Bir Zeit University: "Any Palestinian or non-Jordanian who gained control over Jordan, would be a transgressor, an enemy of Jordan. The Palestinians who live in Jordan, or would live in a Jordanian-Palestinian state can choose whether or not to consider themselves Jordanians. If they do, they can participate in the Jordanian government. But if they do not, they have no right to take over the Jordanian government."

Thus for people like Nusseibeh, a Palestinian solution can only exist west of the Jordan River - either in a Palestinian mini-state, or in a bi-national state in which the Palestinians will have equal national status with the Jews.

We reject both options.

Would the perceptions of Jordan as a Palestinian state, or part of a Palestinian state, be different if Palestinians were in power in Amman? In the mid-'70s, none other than Ariel Sharon suggested that Israel ought to help Arafat conquer Amman. He even expressed an interest in meeting Arafat, but the only sort of meeting which could be arranged was with the late Issam Sartawi, the PLO diplomat who had met quite a few Zionist Israeli poli-

Dry Bones

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TO KEEP
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OR TAXI!

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YOU STILL
DRIVE?

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tical figures and was subsequently murdered by zealous Palestinians for doing so. Sharon was not interested in meeting Sartawi and he never got to meet Arafat. By 1982 he opted for an attempt to break the PLO physically in Lebanon.

Whether or not Sharon might be willing to return to his earlier idea, it was certainly original and daring, and even logical if one perceives that the solution to the Arab-Israeli conflict lies in an Israeli-Palestinian settlement which can only be arrived at with the mainstream in the PLO.

While the "Jordan is Palestine" seminar is unlikely to bring us any closer to a solution, it might have the beneficial effect of strengthening the

appreciation of the fact that the overwhelming majority of Palestinians live in the territory of Mandatory Palestine both west and east of the Jordan River, and that a permanent solution to the Palestinian problem should not be sought in the establishment of an additional unstable and unstable Palestinian mini-state in the territory of Mandatory Palestine. Perhaps the seminar will also emphasize where the Zionist right and left in Israel agree, and where they differ. In their opposition to the establishment of an additional state they agree.

The writer is the editor of the Labour Party monthly Spectrum.

What kind of state do we want?

Zalman Abramov

The battle lines between the two camps are clearly drawn and they constitute the focus of the 20-year-old debate. One issue, however, which in terms of importance overshadows all others, is not sufficiently prominent on the public agenda. This basic issue can be reduced to one question: What kind of state do we want to have?

This question is consistently avoided by the Likud and feebly dealt with by their opponents. Instead, the public is treated to the rhetoric of historic rights and territorial concessions. Thus the debate is diverted towards issues that cannot intelligently be solved without first deciding on the crucial issue of "what kind of Israel we wish to have." The question of boundaries is a mere function of the basic issue. As a result of the 1967 war, Israel

has acquired not only territories but also an Arab population of a million and a half. While the territories may have been "freed" - to use the terminology of the Likud - the same term can hardly apply to its inhabitants. As a result of the territorial gains, the present Arab population of greater Israel amounts now to nearly 88 per cent of the total population.

Since 1985 the number of Arab children born annually in greater Israel exceeds the number of Jewish children. Numerically, it is not a static minority.

Assuming, contrary to authoritative demographic projection, that the percentage of the Arab popula-

tion will be static, the question remains what will the state of Israel appear to be with so large a minority, one that is strongly rooted in its soil, attached to its culture and religion, imbued with an intense national feeling and totally alien to the ethos of a state that is Jewish. The unavoidable answer is that such a state will become a Jewish-Arab state rather than a Jewish state with a rather small national minority.

IT IS NEEDLESS to dwell on the upheaval resulting from the conversion of a Jewish state into a Jewish-Arab state. A foretaste on a minor scale of such an upheaval was provided by Hanna Simora, editor of the *Al-Fajr* Arab newspaper in Jerusalem. He suggested reversing a previous decision of boycotting municipal elections and, instead, voting for an Arab list. Under the proportional system of representation, they would secure 30 per cent of the seats and, making an alliance with the ultra-Orthodox, might dominate city affairs.

This caused a great deal of consternation and some went so far as to suggest depriving Arabs of their voting rights. The commotion subsided when, under pressure from Arab extremists, Simora withdrew his proposal on the grounds that participation in elections would constitute recognition of the annexation of East Jerusalem by Israel. Had the commotion continued a little longer, it might have then dawned on many Israelis how the Knesset - ultimately with nearly 40 per cent Arab representation - the ruling cabinet, the administration, and the army would function.

It must also be kept in mind that the large Arab minority is not likely to follow the path of moderation because, surrounded as it is by a sympathetic ethnic periphery, it will be subject to repercussions of the perennial instabilities of the region.

Will such a bi-national state be viable? In the heyday of optimism prevailing immediately after World War I, people felt confident that the Czechoslovak experiment, with its 23 per cent German minority, would be a success. That minority undermined Czechoslovakia's very existence, and when reconstituted in 1945, it had, in order to ensure its existence, to expel the German minority. Once independent, Cyprus, a peaceful island under British rule, was the site of friction between the Greek majority and the Turkish minority (20 per cent), which resulted in Turkish military intervention which led to the partition of the island into two de facto states. Neither the lesson of Northern Ireland nor that of Lebanon gives hope to the viability of a bi-national state - especially in a volatile and chronically turbulent area such as the Middle East.

It is both astonishing and distressing that the crucial issue of the structure of the state and its ethos is not more exposed in its fullness to public opinion. The people cannot intelligently form an opinion on future frontiers unless they first decide what kind of state they want to have. Only then will they be able to weigh rationally the consequences of their decisions.

The writer, an attorney and author, is a former deputy speaker of the Knesset.

READERS' LETTERS

MAX SPITZ

To the Editor of The Jerusalem Post Sir, - Philip Gillon, in his otherwise admirable tribute to the late Max Spitz (August 30), did less than justice to Max's considerable contribution to Israel's tourist industry.

In 1949, he was asked to take over and reorganize the ex-Egyptian firm of Peltours (PEL stands for Palestine Egypt Lloyd). His knowledge of tourism was nil, but he brought his business acumen and organizing ability to bear, starting with the task of teaching an unwilling staff that they were there to serve the public. This he did by all manner of means, including that of personal example. One of Max's attributes was that he never asked anybody to do anything that he would not do himself.

I had the privilege of working with Max almost from the beginning for close on 30 years, so can bear personal witness to his drive and determination in dealing with the bureaucracy of various government departments to put tourism on the map. His flair for bargaining with hotels and transport companies was legendary and this resulted in the introduction of attractive rates and the speedy growth of group travel.

Max Spitz was truly a pioneer in tourism, one of the first to see what the visitor to Israel required and to endeavour to give it to him.

JOE HANSON

Netanya.

DEAR COMPUTER

To the Editor of The Jerusalem Post Sir, - In your issue of September 4, readers were informed that in a few weeks' time, your paper is going to be computerized. Does that mean that future letters to the Editor should be addressed as letters to the Computer?

SUSAN ROITELMAN

Tel Aviv.

HAREDI CREDO

tempt for others. I am deeply ashamed that these fanatics are giving such a terrible impression of what is a very moral, beautiful, life-sanctifying religion.

I ask the public not to compare these senseless idiots with the truly humane majority of the religious world. Just as we do not judge the entire secular world by the lowest elements - drug addicts and criminals - so, too, we should not be judged by the lowest elements in the religious world, which these screaming nuts represent.

MIRIAM ADAHAN

Jerusalem.

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